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WEST EUROPE REPORT

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CONTRACTS, NEGOTIATIONS FOR ADDITIONAL FOREIGN OIL SUPPLY

Kuwait Promises More Oil

LD311359 Madrid YA in Spanish 28 Oct 80 p 31

[Dispatch by Jose V. Colchero: "Spain Will Have No Gasoline Rationing This Winter"]

[Excerpt] Kuwait--There will be no gasoline rationing this winter, nor will we have to suffer cold through lack of heating oil. The Amir of Kuwait has promised the king that he will sell Spain more oil to offset our losses of supplies from Iran and Iraq as a result of the war. The first 130,000-ton tanker will leave Spain in November to take on board in Kuwait the first consignment of this crude negotiated in this way on the occasion of King Juan Carlos' visit, which was concluded on Sunday afternoon. The amir, Shaykh Jabir al-Ahmad, made it very clear to King Juan Carlos that Kuwait--the OPEC member which will increase its output most to help the industrial nations alleviate the severance of supplies from Iran and Iraq--will not leave Spain--the European nation which understands the Arab community best--in the lurch. However, the amount of the additional supplies has not been set. Everything will depend on the duration of the war between Iran and Iraq and how long it takes these two countries to resume their exports.

It is likely, if circumstances so require, that Kuwait will end up by supplying us with about 2.5 million tons in 1981, instead of the 1 million tons envisaged for this year. There is no firm commitment for deliveries on specific dates or at a set price, but a firm determination to extricate us from difficulties as far as its output allows it to do so. It has also been agreed that we will pay for the extra crude at the "official market price," which is currently over \$5 cheaper per barrel than on the free market (the so-called "spot" price). This second aspect, concerning the prices of additional supplies from Kuwait, is of particular importance, since it will free us from having to purchase these accounts "on the black market," in haphazard deals with the multinationals. Since the price of oil will increase in any case--both the official price of each country, following OPEC's recommendations, which is \$30 for Saudi light crude and less than \$32 for the rather heavier Kuwaiti crude, also and the free market price--and since our currency will continue to depreciate [as published] against the dollar, the oil bill for 1981 will not prove to be as expensive for us if the king had not been successful in his demarche in Kuwait, and will have a lesser impact on Spain's inflation rate next year.

Qatar To Increase Supplies

LD071503 Barcelona LA VANGUARDIA in Spanish 5 Nov 80 p 45

[Unattributed report: "Qatar Will Sell Spain More Oil"]

[Text] Qatar will increase supplies of crude to Spain, which currently total 30,000 barrels per day, by an as yet unspecified amount, according to what was disclosed in the bilateral talks between the two countries.

During the return flight from Qatar to Madrid, Foreign Minister Jose Pedro Perez Llorca explained that the reason for the visit to that emirate was the standing invitation from the amir to His Majesty the King to visit the country and the convenience of the stopover which, to virtually all intents and purposes, became an official visit.

With respect to the bilateral talks, Perez Llorca specified that there were two rounds: one yesterday, at which the delegations were headed by the foreign ministers and at which the problems concerning the issues discussed today were outlined, and today's round, which was presided over by Majesty the King and the amir, in the presence of the two countries' foreign ministers and small delegations.

During both yesterday evening's and today's talks, Perez Llorca said, "the issue of crude arose, and we discovered the happy situation that they are ready to increase supplies—an increase which was discussed but which will be left for subsequent talks which will be held on the technicalities, so that it is likely that there will be some further news about this which I am not in a position to give."

CSO: 3110

NATIONAL ENERGY PLAN DETAILS SHIFT FROM OIL TO COAL, NUCLEAR

LD300919 Barcelona LA VANGUARDIA in Spanish 18 Oct 80 p 13

[Unattributed report: "Saving Oil by Means of Coal and Nuclear Energy"]

[Excerpt] Madrid, 17 Oct--As we report on the front page, an extensive report on implementation of the national energy plan was submitted at today's cabinet meeting chaired by head of government Adolfo Suarez, and it was decided to submit it to the general Cortes. Decisions were also made approving regulations for the implementation of the workers' statute in the field of temporary employment and concerning the revision of public expenditure, the expropriation of an estate in Malaga and a number of important appointments.

The minister of industry and energy submitted to the cabinet a comprehensive report on the state of measures concerning the national energy plan. The minister stated that the plan as a whole is proceeding in accordance with the forecasts which itself contains and which can be summarized as follows:

--Dependence on oil in 1980, compared with that in 1979, has declined by over 4 percent, primarily as a result of the satisfactory progress of coal output and consumption, which this year will total about 30 million tons, an increase of about 6 million tons with respect to the previous year, and a greater share for natural gas, which has increased by 40 percent, again in comparison with 1979, currently holding a 3-percent share of the country's primary energy consumption.

--The drought from which the country is suffering has, of course, necessitated additional consumption of fuel oil, especially in power plants, so that greater consumption of oil to offset the water shortage must be temporarily accepted.

--The vital part of the national energy plan is represented by the investment programs, whose state was detailed by Mr Bayon. The accelerated program for constructing coal-fired power plants has been put out to contract in its entirety, with the seven power plants coming into operation in the course of 1984, and the putting out to contract of some power plants which will be converted from consuming fuel oil to coal has already begun.

--Complementarily, and in order to process the fuel oil, which is being replaced by coal and nuclear energy, the program for restructuring Spanish refineries has been accelerated. The first plant will come into operation in Corunna at

the end of 1981, and the design work for the Castellon, Puertollano, Cartagena, Algeciras and Huelva plants has already begun.

--In another sphere, the minister reported that in 1981 the cement sector will have already replaced 1 million tons of oil products by coal, in accordance with the conversion program agreed with that sector. The commissioning of three coal-fired power plants and one nuclear power plant, which will take place within the next few months, will make it possible to save over 1 million tons of fuel oil in 1981.

--Energy sector investments carried out by public and private enterprises will total, according to the minister, over 330 billion pesetas in 1980, and it has been ascertained in monitoring these investments that the program has been implemented precisely so far this year. The cabinet was also informed of the detailed investment program for 1981, which will total 430 billion current pesetas, with a financial plan which is currently being finalized.

--The basic aim which is being pursued with all this is to achieve a reduction in dependence on oil of almost 20 percent in primary energy consumption, passing from 69 percent at the start of the national energy plan to 50 percent at the end of 1985.

--As a new feature in the energy programs, the minister of industry announced the introduction in 1981 of a plan for constructing a large number of small hydroelectric developments throughout the country--a program which will be promoted by the energy conservation law recently approved in the congress.

The cabinet also examined the state of stocks of crude and oil products, as well as of supplies. The level of stocks remains relatively high, totaling 130 days yesterday--a figure which includes the products in the possession of the leasing company of the Petroleum Monopoly, Inc., and of the refineries and the crude contained in storage tanks and that being transported by our fleet, as well as the relatively large amounts of fuel oil in the depots of our thermal power plants. However, the government has examined with increasing concern the complexity which the military conflict between Iraq and Iran is daily assuming.

CSO: 3100

OLOF PALME INTERVIEWED ON KURDISH PROBLEM

Huddinge ROJA NU in Turkish Aug-Sep 80 p 4

[Interview with Olof Palme]

[Text] Olof Palme, the leader of the Social Democratic Party of Sweden gave an interview on the topic of Kurdistan to Mahmut Baksi, a Kurdish writer and newsmen and to Elin Clason, a Swedish newsmen. The interview took place on 12 August 1980 and was published in the pro-social democrat newspaper AFTONBLADET which is one of Sweden's largest papers. Olof Palme who is the leader of the Social Democratic Party of Sweden plays an important role within the Socialist International movement. We have translated this interview into Turkish so that we can present the views espoused by social democracy in what concerns the problem of Kurdistan. We present the interview to our readers.

Mahmut Baksi: On 26 May of this year, you met in Tehran with Iran's President Bani-Sadr. Austria's Prime Minister Bruno Kreisky and the leader of the Spanish Socialists, Felipe Gonzales, also attended the meeting. At the time and as is the case now, the Iranian army had gone on the offensive against Kurds expressing a desire for "a democratic Iran and an autonomous Kurdistan." On 14 July you met in Sweden with Iran's Foreign Minister Qotbzadeh. Did you discuss the Kurdish problem with these Iranian leaders?

Olof Palme: The primary purpose of our trip was to obtain a better understanding of the Iranian Revolution. We feel that the Iranian Revolution was justified in its struggle for independence against the Shah's regime and against large countries such as the United States which had earlier established its hegemony in that country. We have raised the Kurdish problem on a number of occasions during our visit and with the Iranian Foreign Minister during his stay in Sweden. We have done this for the purpose of expressing the worldwide concern caused by the operations undertaken against the Kurds.

Mahmut Baksi: There is a total of 20 million Kurds in Turkey, Iran, Iraq and Syria who are deprived of all political, cultural and human rights. How does the Swedish Social Democratic Party feel about the Kurdish problem in the Middle East?

Olof Palme: We consider the Kurds to be a nation and this implies autonomy for the Kurds. This autonomy should be brought about through agreements, in other words through peaceful means. The situation currently confronting the Kurds of Iran may

be attributed in large part to the policies of the Shah who reached an agreement with the Iraqi's at the expense of the long-term well-being of the Kurdish population. At the same time, we must accept that the Kurds have been placed in a very difficult situation by virtue of the fact that they live in four different countries and constitute a minority in each of them. The plight of the Kurdish people is brought about by this situation and deserves sympathy. Let me however be straight-forward in stating that I do not in the political or practical sense believe that it will be possible for the Kurds to form a separate state. Wide ranging autonomy and a chance for the Kurds to remain together despite of their dispersal into four different countries appear to be realistic objectives.

Mahmut Baksi: Like the Social Democratic Party, the Socialist International movement has begun to perceive that a solution to the Middle East problem may be found without guaranteeing the right of the Palestinian people to form a state. What would you say about the right of the Kurds to form a state?

Olof Palme: As I said a moment ago, I do not believe that a Kurdish state will ever be formed. A realistic solution will have to involve autonomy within the four countries. I do not hold any independent views as to what model would be the best--perhaps the system that is evolving for the Basque or Catalan minorities in Spain or the system existing in Yugoslavia. I am however of the belief that the rights of the Kurds as a nation must be recognized. The prospect of detaching territory from all four countries to combine into a single new state is not only unrealistic but impossible without recourse to a war that would have unpredictable consequences. For this reason, I believe that it is important for the Kurds to have their rights as a nation recognized in all four countries in addition to being granted broad autonomy. These things are requisites for a solution.

Mahmut Baksi: What are the conditions for membership in the Socialist International Movement? Bülent Ecevit has on a few occasions visited Sweden as the leader of the RPP which is a member of the Socialist International movement. However the charter of the RPP is contrary to the principles of the Socialist International movement as well as those of social democracy. Although the Kurds number 10 million in Turkey, their existence and their rights remain unrecognized by the RPP. Given this situation, how can the RPP be a member of the Socialist International movement?

Olof Palme: As far as we were concerned, Bülent Ecevit and his party represented the faction in Turkey that defended democratic principles. However this does not signify that anyone in Turkey is beyond reproach when it comes to the matter of the Kurds.

Mahmut Baksi: How can it be said that a party is democratic when it fails to recognize the existence of 10 million people simply because they are Kurdish? The RPP was established by Ataturk and is still the proprietor of a racist ideology formulated by Ataturk.

Olof Palme: It has been a long time since the death of Ataturk. The party may have evolved since then.

Mahmut Baksi: Today, Kurdish aspirations in Iraq and Iran are being answered by savagery. Today, 300,000 troops belonging to the Turkish Army are stationed in Turkey's Kurdistan.

Olof Palme: During the last few years we have begun to show an interest in the plight of the Kurdish people. Interest towards this issue is mounting. A peaceful solution must come through autonomy.

Mahmut Bakal: Are you thinking about taking the Kurdish problem to the United Nations or the European Council?

Olof Palme: Not at this time, but we are paying attention to the problem.

Mahmut Bakal: International public opinion as well as the Socialist International movement could become influential mentors of the Kurdish people. Through the victory of the Vietnamese people against the United States we have learned the great importance of international public opinion.

Olof Palme: Yes, but the Kurds have not yet reached that stage.

Mahmut Bakal: To what do you attribute this?

Olof Palme: In my opinion it can be attributed to the fact that the Kurds are a minority in four countries and that these countries have resolved the Kurdish problem.

Mahmut Bakal: But until now, savagery and militarism have been the ways that these four countries have used to resolve the Kurdish problem. Can the Kurdish problem be solved in this manner?

Olof Palme: No. I do not believe this either. The solution must come through peaceful means.

This interview indicates that Palme takes into consideration Sweden's economic as well as political ties and consequently offers rather careful and evasive replies.

9491

CSO: 4907

NAVY YARDS BUILDING SHIPS FOR SOVIET UNION

Vienna PROFIL in German 4 Aug 80 pp 38-39

[Article by Michael Nakladal: "A Ship for Boris"]

[Text] Austrian Shipyards AG [Incorporated] has managed to rack up a secret record by building little Danube tubs and with other kinds of tinkering. While the world's big shipyards are rusting away, OeSWAG [Austrian Shipyards, Incorporated] is making a profit.

As the floating "grain lifter"—a 250-ton monster used in offloading grain from ocean-going vessels—gently slid into the water of the Linz shipyard, a blissful smile flitted across the face of Chairman Franz Muhri. After all, it is "thanks to the personal effort by the chairman of the Austrian Communist Party," as the plant newspaper WERFTTELEGRAPH admitted, "and his personal visits to Moscow that the shipyard was able to get those orders in spite of stiff competition."

The shipyard, which has already built 150 vessels for the Russians, which makes floating cranes, cable car cabins, and phone booths and which presently presumably is Europe's only shipyard which does not show any losses but which instead keeps building ships, owes its success to some slight degree also to another couple of chairmen: the members of the board of directors Dr Alois Hager and economist Kurt Wild.

When the former VOEST [United Iron and Steel Works, Inc.] in 1974 "quite to our surprise" (Hager) were put in charge on the bridge, as it were—the shipyard is owned 100 percent by VOEST-Alpine—they took over a sickly enterprise which threatened to go down on account of a 200-million loss carryover. One unsuccessful former manager had committed suicide.

Today, after 6 years of showing a profit on the balance sheet, the mountain of losses has shrunk to 27 million—"and, looking at it from the international viewpoint, our facility utilization rate is a nice little record" (Hager).

This utilization rate was taken care of as a result of Russian ships; the profits are earned in the "machine-building division" (Hager).

It so happens that the Austrian Shipyards--occasionally tainted with the image of a government enterprise that keeps losing money or perhaps even an affiliate of the Soviet shipping ministry--has become a "modern all-rounder" (Hager) who said: "Of course, a shipyard has to build ships so that it will be fully utilized. But the by products are the better business deal" (Hager).

In this way, the shipyard, with a business volume of 850 millions, earns a profit of about 60 millions--"a very nice result considering the present-day situation in the shipbuilding industry" (VOEST spokesman Franz Summer).

In the final analysis, there are two causes for the fact that this one and only and rather cute shipyard of a nonseafaring nation is doing big business by launching ships into Danube ponds: A very intimate relationship with the Soviet Union--which is just about reminiscent of USA times--and an unconventional management.

Thus, manager Alois Hager, 52, consistently refusing to wear tailor-made suits or carry attache cases ("I'm no office type"), has the habit of roving throughout the plant compound in shirtsleeves, checking the steel personally, and worrying about the detailed problems of the workers; in many enterprises with a workforce of 1,500 men, a wish for a "new roof in front of the workshop" is usually routed from the foreman to the division chief, from the division chief to the enterprise administrative assistant and from there to the president's desk. At this particular shipyard in Linz, the whole thing was handled as a result of the following dialogue: "Mr Manager, we would need a roof here." Hager: "Make me a sketch." And when it comes to inspecting the ship's hull, Hager is the first one to climb down the ladders into the ship's belly in order to inspect.

While former Apfalter aide Kurt Wild takes care of finances, Alois Hager comes to life when the subject of engineering is introduced: while holding a job in a factory, he attended the Mining College in Leoben, got 20 patents for VOEST, and earned his doctorate in 1977--in "mining"--at the age of only 49 and with the rank of board member. His dissertation topic was "Further Development of Fresh-Spray Method for Steel Production." The two managers--who throughout the week do their managing together and who over the weekend go biking together--are considered in VOEST circles as the "eryptotic twins"; to the chagrin of party hacks and amateur intriguers, Hager, who is close to the SP [Socialist Party] and "black" [conservative] Wild have become "fast friends."

Since then, VOEST headquarters has gotten used to letting those two fellows do their jobs without bothering them: "We are very independent today. In the old days, VOEST told us who was supposed to buy what kind of iron and where" (Hager).

When the passenger vessels "Ukraine" and "Moldavia" were delivered last year, the annual business volume for the first time cleared the billion-limit. Said Hager: "Of course, the Russians are seasoned buyers. But it is not the price that speaks for us--it is our quality." Commented an insider: "Because the Soviet shipyards specialize in building military vessels and because every available capacity is being used for that purpose, we are getting all the passenger vessel business." Building for the Russians is based on a tradition: During postwar years, the Korneuburg shipyard was a Soviet government enterprise and, sometimes employing more than 3,000 persons, it built 68 vessels for the Russians and is today still Lower Austria's Communist Party stronghold with a fighting record: "Seven fellow workers were executed there because of active resistance against the Nazi regime..." and "In conversation with the factory personnel representatives, the customary social-partnership climate simply does not exist--the fighting tradition of the Austrian working class can be upheld only through corresponding practical activities--and that is the opinion of those people there" (VOLKSSTIMME).

In the meantime, Linz is working on diversification. For track-laying machine-builder Plasser and Theurer, the shipyard produces the big "track repair machines." For the Austrian Federal Army, it makes pontoon bridges from aluminum parts. A short time ago, OeSWAG took over the plastics machine firm of Anger and "is going to purchase other companies in order to push machine-building" (Hager). And for "50 days a year" Hager and Wild travel all over the world to get orders. Thus, the fellows at Linz a short time ago built floating cranes for Libya--and a total of 15 ships for the Swiss lakes.

But big brother happens to be in the East just the same. And so we have a rather unique situation in Austria here: while Europe's shipyards keep rusting away, the fellows at Linz keep hoping for the "construction of entire fleets." "USSR ambassador Yefremov a few days ago hinted that we are supposed to be building a fleet of passenger vessels" (Hager).

The shipyard is ready: Russian engineers arrived to check the technical conditions. And Alois Hager's calling cards are printed on both sides--in Cyrillic on the reverse side, pronounced "Alois Khager."

5058
CSO: 3103

WORKER RETURN GUARANTEE ASKED FROM LIBYA

Nicosia BOZKURT in Turkish 16 Oct 80 pp 1,4

[Text] Nicosia -- TFSC [Turkish Federated State of Cyprus] President Rauf Denktas received yesterday morning and talked for some time with a representative delegation of the wives of Turkish Cypriot workers employed in Libya who are still unable to return to the island.

During the visit, the delegation gave President Denktas a copy of a telegram they have sent to Libyan Chief of State Qadhafi about ensuring the return to the island as soon as possible of their husbands who work for Muduroglu Limited in Libya and have not been allowed to return to Cyprus by Libyan officials. They requested his intercession in obtaining the return of their husbands to the island before the Kurban holidays.

President Denktas pointed out to the delegation that he was in constant and close touch with the problem and that initiatives at the highest level were in progress. He said that he would discuss the matter once more with the Libyan embassy's charge d'affaires in light of the promises by Libyan authorities that the problem would be resolved before Kurban.

President Denktas later received and talked with Libyan Charge d'Affaires Yusuf Azzali.

As known, some Turkish Cypriot workers at Muduroglu Limited in Libya have not been paid for two years and have not been permitted to return home by Libyan officials because the company has not paid its social security and tax debts.

B349

CSO: 4907

DPP, UNION DEFY GREEK CYPRIOT 'YOKE'

Nicosia BOZKURT in Turkish 11 Oct 80 pp 1,6

[Text] Nicosia — The Democratic Peoples Party [DPP] pointed out that the Greek Cypriot leadership had proved the inconsistency and frivolity of its attitude by the 20 percent land proposal to the Turkish side. It was noted in a bulletin distributed in the name of the DPP Central Executive Board that the Greek Cypriots had shown that they had no regard for the security of the Turkish Cypriot community or the economic viability of the Turkish sector, besides the fact that this proposal conflicted with the substantive and constructive nature of the talks.

We Will Not Surrender Our Rights to the Greek Cypriots

Pointing out that the Greek Cypriots think they can bring the intercommunal talks to an impasse, the bulletin asserts with regard to land that the Turkish sector will never surrender to the Greek Cypriots its economic development, security and true rights on the island.

Farmers' Union Reaction

Meanwhile, the Turkish Cypriot Farmers' Union [KTCB] also reacted strongly to the Greek Cypriots' territorial demands. A bulletin distributed by KTCB President Huseyin Gultekin says, "We would rather operate under our own steam within the present security of life and property than make an agreement which would leave us again at the mercy of the Greek Cypriot before the blood of our citizens lying in mass graves is even dry." The bulletin contained the following views:

We Do Not Want to Repeat Our Experience

"1. Our peasant who favors peace will never again consent to be under the Greek Cypriot yoke on the theory that 'peace will come.'

"2. We believe that the Greek Cypriots are trying to make the talks more difficult by raising questions about implementation of the exchange of populations in accordance with the third Vienna agreement and starting over from the very beginning.

"3. In the population exchange, our community left to the Greek Cypriots thousands of donums [1 donum = 940 m²] of its vineyards, orchards and arable and productive lands in the Paphos, Limassol and Larnaca districts and, for the sake of peace on

this beautiful isle, was content with the Mesarya [Mesaoria] Plain which does not even have water to drink, the Panagusta region where the citrus orchards have dried up because the waters have become salt since the colonial period and the Guzelyurt region which suffers the same fate.

"4. We do not wish to repeat our experiences since 1975 on the basis that 'agreement will be reached.' We have not forgotten the inhuman practices at the Greek Cypriot Barricades. We will never allow our children to suffer what we have suffered.

"5. We still suffer the pain of our massacred villages such as Ayvasil [Agios Vasileios], Arpalik [Agios Sozomenos], Taskent [Tokhni], Gecitkale [Kofinou], Bogazici [Agios Theodoros], Alaminio [alaminos], Murataga [Maratha] and Atiler [Alos]."

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CSO: 4907

CALL FOR INFLATION CONTROLS, PRODUCTION BOOST

Nicosia BOZKURT in Turkish 14 Oct 80 pp 1,4

[Article by Eref Cetinel]

[Text] The Turkish Cypriot Harbors Corporation KTLS] just held its third regular convention last Sunday at the Lausanne Palace Cinema. The corporation was the first formed within the structure of the Turkish Cypriot community to manage the field of labor in which it works and also was the only example in the labor sector to promote the virtues of work.

At the meeting, in which Necati Salih Kadir, Erdogan Erden and Halil Mevlit were brought into the presidential councils, messages were read from President Denktas, Prime Minister Mustafa Cagatay and the Communal Liberation Party.

Leading the agenda, corporation President Asaf Senturk recounted the corporation's past accomplishments and said:

"Our corporation today has 270 partners. In 2 years, we have succeeded in raising wages which were 100 Turkish liras, for example, to 280 Turkish liras. However, inflation has exceeded 500 percent. Housing rentals are beyond calculation. Today, KTLS has assets of over 50 million Turkish liras. Despite this, these 50-million-lira assets are hardly sufficient to allow the corporation workers to manage for 20 days. The government must take economic measures, freeze prices and raise production. Stress on imports and exports is a must."

Speaking of the harbor region, Asaf Senturk asserted that the harbor is a whole and that no one could deprive the harbor worker of the right to work at the free port and called upon the government in this regard not to be deceived by capital circles and become a vehicle for the exploitation of the worker.

Senturk, mentioning the "advantage of place" in the economy, said that the ports were useless if goods could not be transferred, loaded and discharged and at the same time asserted that the port workers provided the state its largest source of income through customs and once more stressed the importance of the worker to the ports.

Also touching on the subject of Maras [Varosia], Asaf Senturk said that whatever the political outcome of the Maras problem, it should never be allowed to affect the Famagusta harbor and stressed their desire that if Maras were opened to settlement, it be under the oversight of the Turkish Federated State of Cyprus.

Speaking of the status of the elderly workers who had worked many years at the port but were excluded from the corporation at the time of incorporation because of age, Senturk said that social security must absolutely be changed to put an end to the wretchedness of these sorely mistreated elderly retired workers.

Proposals were then made for changes in the bylaws, but it was determined that certain articles for bylaw amendment had not been placed on the agenda in advance and also require legislation and they were rejected in the presidential council.

Elections for the six-person executive board were then held. The following were elected from the 20 candidates running:

Cemal Suleyman Canatan, Salih Hekimoglu, Altunay Fahri, Mulla Emin Soyudal, Ahmet Murat and Mursel Tefvik Hoca.

The KTLS executive board serves for 2 years according to the bylaws.

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CSO: 4907

SKJOLD MELLBIN: HEAD OF NEW SECURITY COUNCIL PROFILED

Copenhagen BERLINGSKE TIDENDE in Danish 16 Oct 80 p 7

[Article by PM: "Experienced Diplomat in Danish Security Council"]

[Text] Ambassador and foreign counselor Skjold Gustav Mellbin, chairman of the administration's newly established security- and disarmament council, is one of the Foreign Ministry's most experienced and skilled diplomats, who is familiar with all the big international issues.

The 54-year-old ambassador has held a series of overseas posts, as well as representing Denmark at the UN in New York and in 1967-68 in the UN Security Council when Denmark was a member. The deciding factor in selecting him for the new post as head of the security council is, that Mellbin was the leader of the Foreign Ministry's delegation to the preliminary talks of security- and cooperative conference in Helsinki, and later, in 1973, a member of the delegation on a foreign minister's level, where it became his lot to speak strongly for human rights on behalf of the nine EC-countries, as one of the most important subjects regarding international detente. Mellbin has been known for his humanistic point of view in all his work. In a speech at the UN he directed such strong attacks towards Portugal's colonial policy in Africa in the 60's, that Portugal protested strongly but to no avail. It was natural for Mellbin to be the leader at the second phase of the security conference in Geneva, as well as at the followup conference in Bogard 1977-78.

It is an adroit negotiator and an international security-policy expert who will head the new council. When all formalities have been clarified, Mellbin is a particularly unsnobbish and unaffected person who does not care for superfluous frills in the conversation. His humanistic view indicates a warm heart, and he openly makes himself a spokesman for the oppressed all over the world.

As a matter of curiosity it may be added that he has also held a military title--that of a lieutenant-colonel--when he was a deputy chief in the Danish military mission in Berlin. That became necessary because of the occupation statute.

Military characteristics have not left a mark, although it is safe to say that Mellbin--as the council will experience--is a man of action.



Skjold Gustav Mellbin

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CSO: 3106

SINGLE-TAX PARTY CHIEF DENIES POSSIBLE TIES TO PARTIES

Copenhagen BERLINGSKE TIDENDE in Danish 5 Oct 80 p 7

[Article by Ib Christensen: "Hopeless Coalition Policy Rules Today Says the Single-Tax Party"]

[Text] The Single-Tax Party strongly repudiates the main groups that presently exist in the Folketing and the policy they pursue. This repudiation applies both to the Social Democrats with the Liberal Party as conciliation partners and the Conservatives.

At the party's national congress in Odense yesterday, the political spokesman for the Single-Tax Party in the Folketing, Ib Christensen, said that the majority compromise between the Social Democrats and the Radical Liberal Party, the Center-Democrats and the Christian People's Party means a return to the unsuccessful and hopeless coalition policy of the 60's. He also felt that the perspectives are not improved by the formation of what he refers to as the VK-bloc with the Progressive Party as a factual partner; nor is it improved by the encysting of the left-wing sectarianism.

Moreover, it was the Single-Tax Party's task to present the alternative in this political picture to the nonsocialist conservatism, to the Social Democratic management and to marxism. "We will remain the liberalism with a human face," he said.

Christensen felt that the Single-Tax Party was the only party where both the ideological policy and the practical policy is completely independent of special interests and organizations. "As the only party that stands for a free employment market policy and industrial policy, we have a huge task under the social-democratic non-socialist compulsory income policy and opposite the monopolists. As the only non-socialist party fighting for Denmark's right against EC guardianship, bureaucracy and planned economy, our obligation is not any less. As the party that stands for all persons' equal right to the earth, and the individual's property right to his earnings, our task has never been greater."

The political spokesman for the Single-Tax Party added that it is not only in the domestic policy but also in connection with the international policy that there is use for the party's viewpoints: A just division of the earth's resources; access to the energy sources; land reform in the Third World; free trade and free exchange of concepts and ideas. Obviously a small party cannot solve these monumental problems, but we can be in the forefront and show the way, he said.

SINGLE-TAX PARTY CONGRESS URGES MORE VOLUNTEER SOLDIERS

Copenhagen INFORMATION in Danish 6 Oct 80 p 3

[Article by RB: "The Single-Tax Party Urges More "Volunteer Soldiers for Support of New Defense Compromise"]

[Excerpts] Great Disagreement About Defense at the Party Congress

Among the resolutions passed at the National Congress of the Single-Tax Party last Sunday, one indicated a split in the party. That was the housing policy resolution.

The resolution was passed with 48 votes against 42, but no less than 56 of the congress participants abstained.

The security policy resolution also revealed disunity in the Single-Tax Party. It was passed with 77 votes against 41, with 29 abstaining.

In the housing policy resolution it says that the housing policy pursued during the last 20 years has increased the difference between owners and renters and lead to the housing subsidy becoming mostly an advantage for property owners with large incomes and dwellings. Taxation should be the same, independent of choice of accommodation. The rent value of private property should gradually be raised, and a proportional tax should be levied, along with a reasonable taxation system on unearned income.

A majority of the congress participants voted down one passage, according to which there should be freedom of choice between standard deduction and deduction for documented maintenance of the property for up to 3,000 kroner, for example.

Military Vacuum

In the security policy resolution which was passed with a small majority, it says that "The Single-Tax Party will not for the time being work for Denmark's withdrawal from NATO."

"The use of military force is not suitable in solving conflicts, but it must be acknowledged that a unilateral creation of a military vacuum does not serve the purpose of detente," it says.

The Single-Tax Party is prepared to enter into realistic negotiations about a new defense agreement on the basis of a cost-of-living index -regulated budget. The conditions are, that steps will be taken towards introducing a completely volunteer defense force.

Disappointment to Anker Jorgensen

A proposal, stating that normally heads of state should not get involved in other countries' internal affairs, was adopted despite a warning from the political spokesman, Ib Christensen. The resolution was directly pointed towards Prime Minister Anker Jorgensen's statements in Lubeck last Saturday, regarding the West German elections.

A great majority joined a public policy statement where it is stated that "last year's crisis compromise has brought an unreasonable economic burden on the tax payers, and an increased management and control, without bringing the solution of the crises any closer to the end."

It is stated about the energy policy that the Danish state receives an "unreasonably small return" from the contract with DUC. It must, the "monopoly profits being transferred over to the national treasury".

"There is no reason to despair over the fact, that during the national congress debates there has been obvious disagreement regarding series of points. There is a great dispersion in the viewpoints with regard to defense, but that also applies to other parties. Ideologically the difference of opinion is not great and apply mostly technically and in details", said the political spokesman for the Single-Tax Party, Christians, when he rounded off the political debate at the party's congress in Kongreshuset in Odense last Sunday.

The party chairman, Lars Fredsted Kristensen, also touched upon disagreement about the defense in his concluding remarks and he emphasized that the Single-Tax Party does not hold trigger happy valuations but different valuations. Some prefer unilateral disarmament; others warn that Denmark will become a military void with the dangers it entails. Kristense himself favored the latter mentioned.

The debate at the Single-Tax Party's congress extended over many issues. In addition to the defense issue, was the question of rent assessment of private property; value-added tax on construction and refinancing through index loan.

Kristensen referred to the criticism Jens Kirk had presented on Saturday against the Single-Tax Party's continuance in the popular movement against EC, which Kirk considers controlled by left-oriented elements. He did not feel that withdrawal was of immediate importance, and as long as there did not occur an attack against the Single-Tax Party's political integrity in the popular movement, no measures should be taken.

The question of nuclear power in Denmark was also an issue at the national congress of the Single-Tax Party. In this respect, Ib Christensen referred to the position the party has held up to now. This position is that atomic power is not topical, as long as no solution has been found for the security and stockpiling problems.

The national congress of the Single-Tax Party reelected party chairman Lars Fredsted Kristiansen as the party chairman last Sunday.

DEUTSCHMARK DEVALUATION REJECTED AS ECONOMIC REMEDY

Bonn DIE WELT in German 15 Oct 80 p 11

[Article by Claus Dertinger: "DM Exchange Rate Taboo"]

[Text] There is certainly no reason to dramatize the German balance of payments deficit. In the long run, however, we cannot afford, as in this year, to spend about DM 30 billion more for imports of goods and services, including travel abroad. Finally, added to this balance of payments deficit are also about DM 40 billion short. This enormous gap is being filled by foreign credits and with recourse to the currency reserves. But it cannot go on like this forever.

Some contemporaries, among them bankers and scientists close to the trade unions-- it is, by the way, also unjustly attributed to BDI [Federation of German Industries] chief Rodenstock--see a devaluation of the DM as a way out of this situation, according to the maxim that German goods would then be cheaper abroad and thus more competitive; our export chances would thus improve and at the same time our imports and foreign travel would become more expensive. The devaluation advocates believe that this would be a means for cut down on import and foreign travel activities.

It if were really as easy as this, the monetary experts in Frankfurt and Bonn would surely have entered this path a long time ago in order to equalize the balance of payments again. The Bundesbank and the economic policymakers would, after all, be relieved if they did not have to attract foreign money with relatively high interest rates in order to finance the balance of payments deficit, but were instead able to pursue a more active policy of reduced interest rates dictated by domestic economic conditions.

The effect of a significant DM devaluation would be of a far more complex nature, however, than the proponents of such a remedy want to assume or admit. German exports would certainly profit from a devaluation. This is already the case, for the DM has actually dropped a little in value due to the fact that the rates of inflation abroad are about twice as high as in our country. Furthermore, the nominal rate abroad of the DM has dropped a little. But this real devaluation in no way acts as a brake on imports.

This is due to the low elasticity of the imports. However high the cost, the demand for oil cannot be reduced over a short period. And foreign marketers of semifinished and finished goods, which make up a large portion of our line of imports, do not so rapidly allow themselves to be forced out of their strong position on the German market, which they owe above all to their lower labor costs. These are facts which probably do not occur in the theory of those who favor devaluation.

The poor import elasticity even has the opposite effect: It drives up the cost of imports. Additional negative effects of a devaluation must also not be forgotten. In a national economy as dependent on imports as the German one, the higher cost of imports quickly penetrates to the domestic price level. The result would be a cost shift--and thus a deterioration of our international competitive ability, which in the end also destroys the initial advantages devaluation gives the exports. Many other nations have long since learned this lesson. This is why "competitive devaluation" has disappeared from the vocabulary and tool box of economic policy.

If a tangible devaluation is actually to bring about success, it will also have to be combined with an extremely tough restrictive policy. It would inevitably trigger a recession in the FRG, such as we have never experienced.

Above all, however, it must not be forgotten that the FRG is in a sensitive position, because the DM is the second most important reserve and investment currency in the world. Foreign central banks have invested DM 60 billion alone in foreign issuers' bonds. Another 15 billion in such papers have been placed with other investors. To this have been added tens of billions in official and private DM investments at banks.

If confidence in the DM were to be shaken through a deliberate slide of the DM exchange rate or even by mere speculating about such a policy, an avalanche of undreamed-of proportions would threaten. Withdrawals of billions in foreign funds, connected with a violent drop in the exchange rate of the DM, a shrinkage of foreign currency reserves and an explosion of interest rates.

Whoever dismisses that with a wave of the hand as exaggerated gloomy discourse should inquire about the reputation of the DM in foreign financial circles. He would be astounded to hear how much of its former legendary reputation it has lost since it no longer promises any more revaluation profits.

Turning the screw of the exchange rate thus does not solve the German balance of payments problem, it only exacerbates it. Only one thing can really help: Less consumption domestically and the release of more strength for exports. An unpopular medicine, to be sure, because it requires the Germans to tighten their belts.

Sometimes the idea can be glimpsed through the arguments of those who advocate devaluation, that this necessity could be avoided by means of a lower exchange rate. But that is just as much of a fallacy as the belief that a devaluation could create latitude for the Bundesbank to lower interest rates. And this erroneous belief is perhaps also what causes some bankers to become proponents of devaluation.

SIRIUS PROJECT, COMPUTER ORGANIZATION, VULNERABILITY VIEWED

Paris ZERO-UN HEDDO in French 22 Sep 80 p 34

[Article by Jean Le Bihan and Christian Esculier: "The Sirius Pilot-Project, Logical Integration and Physical Decentralization"]

[Text] The idea of bringing together data base technology and systems emerges from various questions: Would it not be desirable to retain for information its natural decentralization? How is the vulnerability of information handling centers where all information is centralized to be lessened? Is there another choice than "dinosaur" computers? Can the information system be adapted to the organization and not the reverse? The Sirius pilot-project has already provided a few answers.

Recent technical and technological developments make it possible to develop systems offering ample and logical integration (data bases) although physically decentralized (in networks). These are decentralized data base systems.

Two basic types of decentralization may be considered for these systems: functional decentralization which means placing information handling equipment near areas of frequent use (a national bank network, for example); operational decentralization which means the sharing of work among several and possibly specialized computers (a local minicomputer system and data base processor).

The fact that data bases are the subject requires that these systems have capabilities for control, consistency and access, management, sharing and language capacity, which would give a new dimension to the decentralized information processing system.

In addition, the existence of several computers in the system makes it possible to build in resistance to break downs much superior to classical configurations, without paying double for backup equipment.

Finally, the interconnection of different computers must provide for a high flexibility in making adjustments (heterogenous systems, expandable systems).

In order for these potential capabilities of decentralized data base systems to materialize, a number of problems must be resolved: on the one hand, in the data base field: data format, language, sharing, confidentiality, specialized machines,

on the other hand, in networks and decentralized systems: distribution, local networks, decentralized operating systems, synchronization; finally, in the field of decentralized data bases: definition and handling of decentralized data, management of data bases, decentralized locking, validation of up-dates supplied by a transaction, restrictions affecting the integrity of decentralized systems, optimization of requests, ability to withstand break downs, reunification of a local data base.

The Sirius Point of View

In 1976, the ministry of industry and IRIA [Information and Automation Science Research Institute] launched the Sirius pilot project. The objective of this project was to develop and test methods and techniques making it possible to define, create, and operate decentralized management data base systems.

As in any pilot project, Sirius relies heavily upon a cooperation of research, industry, and user. All French universities involved in this technique are participating in the Sirius pilot project: Grenoble, Nancy, Paris, Rennes, and Toulouse.

Information processing industries are well represented by manufacturers (Intertechnique, CII-HB [International Informatics Company] and by the SSCI (CAP, STERIA, SG2, ECA, GIS)).

Users are represented by such large organizations as DGI [expansion unknown], Paris Airport, the ministry of health, the Renault factory.

The activities of Sirius are divided into three main functions: the application of practical or theoretical studies, the development of prototypes, and information processing and training.

Studies carried out as part of the Sirius project, cover the gamut of problems encountered in decentralized data base systems.

The principal topics which have given rise to most promising results are: models, architecture, optimization, competition control, integrity, impact strength, decentralized performance.

The prototypes developed within the Sirius pilot project also concern vast fields: Sigor decentralized systems (Grenoble) and Aramis (Toulouse); Freres inquiry base systems (Rennes); Polyphemus heterogeneous systems (Grenoble); Etoile central nucleus configuration (Nancy); Sysidore decentralized document handling systems (Toulouse), and Phlox minicomputer base (INRIA/STERIA [expansions unknown]).

A general prototype, Sirius-Delta, developed by professional personnel of the project's coordination team at INRIA, represents a synthesis of the studies and experiments of the project's first phase.

Delta - Breakdown

The Sirius-Delta system, developed by personnel from Intertechnique, offers functionalities which are particularly strong in terms of data allocations, optimization of requests, management of competition, breakdown resistance, and maintenance of base consistency.

In 1981, a more complete version of the Sirius-Delta will ensure, in addition, guidelines for heterogeneity of the computers and networks involved.

Finally, Sirius has a very important role relating to the information in decentralized data banks.

The project's technical library holds documentation on all the work, studies or systems, produced in the field, in France or abroad.

The Sirius project organizes or takes active part in national or international gatherings that treat the subject, in particular, the Information Processing Convention, the AFCET Congress [expansion unknown], the BDR Colloquy [expansion unknown], the Data Base Symposium, as well as the VLDB [expansion unknown], COMCON [expansion unknown], the Berkley Workshop, CISIR [expansion unknown], and ICHOD [expansion unknown].

Also note should be made of Sirius' role in the framework of national standardization (BNI [National Scientific and Technical Information Bureau], AFNOR [French Standards Association]) and international standardization (ISO [International Organization For Standardization]).

After four years of existence, the Sirius project enjoys a privileged position in the field of decentralized data bases.

However, the subject, a daring one in 1976, now gives rise to larger and larger investments in the United States, Japan, Germany, England, Italy and now builders are proposing operational systems.

Can one hope that the technological transferral of Sirius to industry will make it possible for us to protect, in the form of products, the advance realized by Sirius in decentralized data bases?

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CSO: 3100

BRIEFS

AMBASSADORS APPOINTED--Paris LE MONDE in French 1 November 1980 carries on page 3 a 450-word unattributed report on a ceremony held on Thursday, 30 October, at which the following new ambassadors to France presented their credentials to President Giscard d'Estaing: Zairian Ambassador Mokolo Wa Mponbo; Togolese Ambassador Ali Dermane, and Ghanaian Ambassador Joseph Quao Cleland. [LDO31653 Editorial Report] The journal OFFICIEL for this Wednesday, 29 October, announces the appointment of Robert Hourcaillou as ambassador to Sudan. He will replace Henri Dumont. [Text] [LDO41127 Paris LE MONDE in French 30 Oct 80 p 9] The journal OFFICIEL for this Saturday, 1 November, publishes the appointment of Mr Alain Bry as ambassador to Ethiopia. He will replace Jean Ausseil. [Text] [LDO40931 Paris LE MONDE in French 2-3 Nov 80 p 16]

CSO: 3100

UNIVERSITY LEVEL SCHOOLS FOR TEACHERS PLANNED

Athens I VRADYNI in Greek 23 Oct 80 p 13

[Text] The most indicated and correct scientific solution to the issue of changing teachers' academies and kindergarten teachers' schools into university level schools will be found, after the lengthy exchange of viewpoints which took place in two conferences related to the form which the new supreme schools must take.

This was stressed on 22 October by Minister of Education Ath. Taliadouros who explained that whatever solution is decided on in the end--that is, inclusion of the academies in existing universities or the creation of a new AEI [Supreme Education Institute]--it will be preceded by a reasonable transitional stage. Relative to the 21 October conference, the following was announced by the Ministry of Education:

"The latest conference took place at the Ministry of Education, with the subject being whether or not supreme schools which will instruct teachers and kindergarten teachers should be placed in the existing universities. Taking part in the conference were the minister and deputy minister of education, Ath. Taliadouros and Vas. Kondogiannopoulos, the general secretary of the ministry, Ar. Komisopoulos, the rectors and deans from schools of the humanities, and pedagogic professors, from the universities of Athens, Salonica, Ioannina and Crete, and the general directors and representatives of syndicalist organizations of the professors from teachers' academies and kindergarten teachers' schools.

"During the discussion it was stressed by all the factors that the government's decision for supreme university schools to be established for the education of teachers and kindergarten teachers is an historic event of great significance.

"A lengthy exchange of viewpoints followed related to the form which the new supreme schools must take and the following viewpoints, in particular, were supported:

"1. Establishment of a pedagogic university to instruct teachers, kindergarten teachers and special education teachers.

"2. Establishment, at the universities of Athens and Salonica in the beginning and Ioannina in the second phase, of pedagogic schools with the objective being the education of teachers, kindergarten teachers and special education teachers, the pedagogic instruction of secondary education professors in all the specialties, educational research and educational programming.

"3. Education of teachers and kindergarten teachers in two stages: a first stage of two-years duration in pedagogic schools at the universities and a second stage in pedagogic academies.

"Rectors and deans stressed operational difficulties as regards buildings, accommodations and personnel which will be caused by the placing of new pedagogic schools in existing universities, with a result being the risk of the level of studies falling both in the present schools and the new pedagogic schools.

"Finally, it was stressed by nearly all the participants that the crucial thing is granting a university education to teachers and kindergarten teachers. For this, all the participants were willing to assist in creating the new supreme schools, irregardless of whether or not they are placed in the old universities.

"Minister of Education Athan. Taliadouros thanked the participants in the conference for their prompt response and stressed that the government will make the final decisions after evaluating the viewpoints expressed in the conferences and the operational possibilities which exist.

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CSO: 4908

FOREIGN EXCHANGE MARKET RESUMES OPERATION

Athens EPIKAIIRA in Greek 23-29 Oct 80 p 27

[Article by G. Katsonis: "'Fixing' of Exchange Has Started Out Cautiously"]

[Text] Beginning this week, the foreign exchange market began to operate again in Athens after 48 years. The law which was passed ten days ago was activated by presidential decree and the train started out.

Every midday--except Saturday--representatives of seven Greek and eleven foreign (established in Greece) banks gather at the exchange market and make the fixing for the day, that is, they name the daily official equivalency of the drachma with the principal foreign currencies.

A bit of history: There are three systems for fixing foreign exchange equivalencies: a. the free foreign exchange market in which all are based upon the unobstructed supply and demand of foreign currencies (this is applied in Anglosaxon countries and was in force in Greece until 1932); b. the system of fixed equivalencies (adopted by the International Monetary Fund) which was in force right after the war and until the beginning of the 1970's and c. the system of fluctuating equivalencies which is provided with the interbank foreign exchange market (until now, the Bank of Greece determined these).

'Fixing' and 'Green'

These official foreign exchange prices which will come out every midday will be valid not only for the courts, public exchanges, customs, etc. but will also designate the value of the "green drachma," that is, the equivalency of Greece's currency with the uniform accounting unit of the EEC, on the basis of which we will collect subsidies from various community funds and will pay our shares to the community budget. This was a prerequisite for operation of the accession.

But it is not indispensable for transactions in exchange to happen only at fixed prices of the day. They can deviate upward or downward, analogous to the tendencies of the market and, principally, supply and demand. The certain thing is that the banks will be obligated to buy or sell at prices of the previous fixing (and if they behave perversely, there is the alternate door of the Bank of Greece), with some commission, naturally. They can, however, agree with the customer, who offers or seeks exchange, on the price which will be formed at the midday fixing or some other price at which their negotiations will end.

But the effect of supply and demand on exchange prices does not mean abolishment of the restrictions which are in force today. That is, every fund holder of drachmas cannot present himself to a bank and demand their conversion into dollars or marks or pounds and send them abroad without a legitimate cause. This can be done only by that person who is going to import some goods or machine useful to the economy or--on a limited scale--someone who has a specific need (medical treatment, education, professional trip, tourism, etc.). Just exactly as has been the case up to now. That which is changing is only the way of forming the price of foreign currencies which the citizen offers or seeks, with the same procedures and restrictions as heretofore.

That which is abolished is the Bank of Greece's monopoly on the possession and buying and selling of exchange. Up to now, all the banks bought and sold on its behalf and at prices which it designated each time (plus or minus the commissions, naturally). From now on, they will buy and sell exchange on their own behalf with the basis for prices being each day's fixing.

Something important: The famous "ekar" (one percent) with which the customer was burdened is being decreased by approximately one-third (0.3 percent).

At any rate, the system of the interbank foreign exchange market will not bring deep changes nor, naturally, the devaluation of the drachma. Such a thing is made unavoidable only by the economy's progress and the balance of payments. Neither one nor the other justify this fear, declared the alternate minister of coordination, Palaiochrassas, to EPIKAIRA. The economy is improving and the outflows of exchange remain under control.

It is notable that the interbank foreign exchange market will be for the time of "sight." That is, all transactions are considered settled within two days. The Bank of Greece will continue to designate interest rates for credited transactions.

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CSO: 4908

HYDROSPHERE WEALTH NOT ADEQUATELY EXPLOITED

Athens O OIKONOMIKOS TAKHYDROMOS in Greek 2 Oct 80 pp 3,4

[Article by N. Stereopoulos: "Greek Hydrosphere Wealth Remains Completely Unexploited"]

[Text] The hydrosphere is the portion of the globe which is covered by water. Interposed between the land and the bottom of the deep sea are three physiographic zones which are called: continental shelf, continental edge and continental slope. Each of these three zones, which constitute the continental border, is characterized by its own breadth, declivity, bottom and depth of marine deposit.

In our country, a 14,000-kilometer coast pushes out into the Greek sea and the Greek sea bottoms, offering a large but unexplored subterranean wealth.

However, precious minerals from the bottom of the Greek seas, underwater tourism and oceanography remain, unjustifiably, at an infantile age in our country though they are exploitable sectors and branches of science through which this country would significantly progress.

Although efforts are being made in Greece to locate new sources in its continental territory, very little has been heard up to now about explorations in the sea and, generally, our hydrosphere. In fact, a comparison in this sector with other countries would place us at a very low point, when a definite turn to similar explorations would not only be a "tonic" for the Greek economy but, eventually, also "auriferous."

Up to the present, eighty countries on the globe with petroleum and mineral-bearing seas, including Turkey, have been designated. In fact, the latter has planned explorations in the Mediterranean hydrosphere which cover 12 million hectares (the Middle East Company will carry out one part of the explorations).

Very serious factors for exploitation of the hydrosphere, for which special attention is demanded, are: long-term and proper programming; evaluation, through the best and most advantageous method, of foreign proposals for aid (financing, participation in companies, etc.); modern machinery and acquisition of a special ship; exploitation, through the most feasible method, of the specialized officers provided; and advanced training of specialists for the most complete acquisition and application of knowledge in the latest methods applying to drillings.

The following data give a picture of Greece's undersea mineral wealth: the stratum of salt at around 1,000 meters which covers the bottom of the greatest part of the Greek seas; the magnetite deposits in the undersea area of Serifos; the (coastal) manganese deposit in Thira; the (alluvial coastal) deposits of titanium, zirconium, uranium and thorium from Kavala up to Loutra Enevtheron; the rich peat deposits which were discovered at the bottom of Edessa lake; the sandy magnetite on Samos; Greece's position within a band of petroleum and natural gases; the gold-bearing sands located east of Mesolongi; the appearance of uranium (0.3 percent contents) in the eastern zone of the Axios River which includes the bottoms of the lakes Doiranis, Langadas, etc., without the discovery of other, continental deposits being excluded; the existence of zinc on the sea bottom between Thasos and Thraki; and the petroleum and natural gas, such as in Thasos, the Ionian Sea and other areas.

Of the two million tons of magnesium, 100 billion tons of bromium, 20 million tons of uranium, 15 billion tons of copper, the gold, platinum and other minerals which have been located all over the earth, at least 50 percent are found in coastal extensions to a depth of 250 miles. A significant number of these are in the Mediterranean; the "special" artificial satellites are sure about this and thus arbitrarily take X-rays on the Greek hydrosphere, X-rays the depth of which (from 200 meters to 6 kilometers) strikes one with awe but the results of which we are in everlasting...ignorance.

A few days ago we read that explorations will occur in certain continental areas of Makedonia for uranium and in the undersea area of Strymonikos Gulf (sea bottom from Kavala up to Stratonion) for gold, zirconium, magnesium and others. This is news which verifies those things above related to the interest which undersea explorations present for finding and exploiting mineral deposits.

The Goods

The sea bottom is man's great hope for survival. The resources of the seas and sea bottoms, those which are destined specifically for nourishment, are really astonishing. It is certain that the demographic problem, which is being created more and more acutely, will be solved with the exploitation of the quantitatively tremendous "goods" which are found in the earth's hydrosphere. Separating the subterranean living world into two categories, that is, fish and other "goods," we stop at the second, that is, seaweeds, those sea organisms from which plenty of foods can be produced.

Historically, seaweeds have been "eaten" since 2500 B.C. Naturally, in our era there are not only ways to harvest seaweeds and instructions for processing them, but also modern methods and scientific knowledge about cultivation, preparation and packaging. Seaweeds, which are responsible for all the food produced in the sea, synthesize edible substances from inorganic materials through solar rays and the sea water environment. The seaweeds produce both vitamins B and D and a smaller percentage of vitamins A and E and vitamin C is found in fresh seaweed. They also contain iodine to a great degree. Brown algae have been located in Greek seas in great abundance. These seaweeds have as a chief component alginic acid, a very useful substance for: cooking (soups, salads, mayonnaises), baking, confectionary (sweets, ice cream), dairying, dietetic foods and beverages,

preparation of cosmetics (creams, emulsions, ointments, tonics, shampoo), pharmaceuticals (goitre, new efficacious medicinal and antibiotic substances, deficiency illnesses) and canned products industry (as a means of protection against undesirable effects of metal on food).

In our country, seaweeds are already used by several industries in various products as auxiliary means, such as milk-converting substances and condensing and gelatinizing means. Naturally, we have not arrived at the point of serving a dinner of seaweeds but we can find them in canned foods like fruit with dissolved gelatine from seaweed, consomme, minced seaweed paste and others. It deserves to be noted that all of these are imported from abroad when we can exploit the goods which Greek seas offer us, exploiting also this source of wealth of our country.

Archaeology

The most significant factors for exploitation of our marine archaeology are the following: reconnoitring explorations and programs of systematic recording and protection of finds; means and ways for hauling them up; gathering and placing all these objects in special exhibitions, museums, etc.; finding resources (foundations, private persons, organizations) for realization of the above goals.

An initial division of the ancient world of the Greek seas is: buildings (sunken cities and settlements, harbor works and other buildings); shipwrecks (430 shipwrecks have been located up to now in Greek seas) and isolated finds (amphorae, pieces of statues, various objects).

In addition, certain undersea areas, with corresponding ancient sites, are of great interest. Foreigners who arrive with yachts and diving equipment are well aware of the significance of these ancient areas.

The cost of an underwater excavation (budget, not the final tally) begins at 800,000 drachmas to 4,500,000 drachmas, analogous to the depth and condition of the objects. An initial exploration costs 350,000 drachmas and a map-making about 400,000 drachmas.

The finds will not only rouse the public's interest about our archaeological treasures, but they will complete the historical research of Greece. These treasures are every day in danger of being damaged even more by modern unrelenting technical constructions, natural deterioration, illicit antique dealing, and covering, and definite loss, by sediments, sand, marine flora and mud.

This concerns attractive undersea museum specimens with true interest, not low-level advertisements of the "shark," "Loch Ness" etc. type.

Tourism

It is a fact that the tourist current created every summer urgently seeks to be diverted into some channel. In recent years, our country was hospitably received on the list of countries which can welcome tourists (OECD, Tour Operators, U.N. Economic Committee, etc.). Despite this, it did not succeed—since the analogous substructures did not exist—in exploiting and guiding the tourists, tourists who arrive with demands to enjoy the landscape, the sun and particularly the sea. The

opportunity is being given to us to promote specifically this blue sea, to offer it to people who state with knowledge and certainty that we have some of the most interesting seas as far as landscape and wealth of the sea bottoms and most ideal from the standpoint of temperature.

The charm of the sea bottom is so great, it appears so alluring and exercises such an effect, that it is today not only a great magnet for tourists, but also a starting point for development of underwater contests with millions of adherents all over the world.

In Greece we have the Federation of Underwater Activity to which, as was written, "the government gave prompt solutions so that soon this organization will increase its activity and its international prominence." In addition, continues the announcement, our country must, "from a rear-guard leader which it is in comparison with the other states in this new movement take its proper place as a nautical and marine nation."

More analytically, the sectors in which Greece must develop itself are: competition for underwater hunting in known fishing grounds; diving and various other contests with foreigners participating; taking of photographs and films; underwater photography competition; exhibition of photography of sea bottom landscapes and exhibition of painting of sea bottom landscapes; collection of shells and their exhibition; medical therapy beneficial to health with appropriate underwater swimming; indispensable supplying of medical care (a necessary prerequisite for the development of underwater tourism); development of lake caverns and underground lakes; international projection of instructional films on the sea bottom via EOT [Greek Tourist Organization]; and participation in international seminars.

There are many foreign groups who are seeking to visit our country with the requirement that they will encounter here organized underwater activity centers for cooperation and assistance.

Underwater tourism in Greece is unknown and a bit "strange." But, according to the International Tourist Statistics, the increase in many countries' tourist movement is owing, to a large percentage, to underwater activity.

Mineral Waters

There is something which comes directly from the heart of the Greek earth and ends in the Greek seas. It is the "miraculous" waters from innumerable Greek mineral springs. In Europe, many countries like Italy, France, Germany, etc. have seen to it that their mineral springs have become internationally known. Contrarily, in our country the appropriate publicity has not even occurred domestically. Thus, while they are "sources" of exchange (exporting of mineral waters, visits, spa treatments) we continue to keep the operation of most in a primitive condition when, in fact, we have a large number of springs which flow into the seas and combine mineral waters and sea water, like Aidipsos, Thermia, Kaiafa, Loutraki, etc. Perhaps care will have to be taken for loans to this sector to be increased. It is known that Greek springs are ranked in high positions among the European springs.

And A Little...Cousteau

The proper attention can be not given to archaeological explorations (which did not note the success anticipated) but the cinematographic goals of Jacques Cousteau succeeded to a great degree.

Thus the "sensational underwater exploration on the bottom of the Aegean, which will help in detection of an approximately four-thousand year-old civilization," as the government announcement, full of enthusiasm, said, entered into a second part in order to end in "various finds eventually being discovered." What did he undertake? To shoot a publicity-tourist film, to search for the lost Atlantis, to locate new shipwrecks or to discover the antiquities of every type which the Greek seabed hides?

Because there were plenty of doubts about this cooperation with Cousteau, doubts about the terms of the agreement, the exploitation of the films and the exact object of the exploration....

EOG, which signed the agreement, paid Cousteau 1,600,000 dollars to cover the first stage of the explorations. Then it granted him every accommodation and aid, scientific, oceanographic, technical, etc. It gave these without being able to intervene with any advice in the "final formulation and production of the creative aspects of the films." Receipts from their showing—except in Greece and Cyprus—were deposited in Cousteau's special account in the United States. Naturally, we do not doubt the abilities of the group on the Calypso but we do doubt their uniqueness because there were other filming groups with more attractive terms. We paid dearly for any publicity of our country and the strengthening, if there was such a thing, of its tourism (there was no economic gain from the films). As for the antiquities—let us leave the history of Atlantis—all the news which "came out" up to the end of the operation is restricted to known ancient shipwrecks and antiquities which have been noted for years.

We will be more specific: We did not learn if the results of the exploration are collected on two films only. We did not learn what exactly Cousteau explored "so freely and systematically." We did not learn if there was the indispensable representative—overseer of the Greek public and what he wrote in his report.

In our time, the economic war between the wealthy and the weak states has been carried to the sea bottoms, a war either in the form of artificial "deadlocks," like the disagreements over the six or 12 miles and the continental shelves, or in constraints from unfavorable contracts because of inexperience and deficiencies in developed technology.

So the negotiations for the Law of the Sea are not proceeding and are not ending in any agreement. And raw materials are ensured for the large countries and remain locked up for the small ones.

For Greece, the establishment of the Public Petroleum Corporation (DEP) is a beginning. But the creation of such an enterprise on a wider scale, which would embody all the undersea wealth (and not the rumors about shrinkage) would be far more successful.

9247

CSO: 4908

BRIEFS

MORE LIGNITE FOR ELECTRICITY—Consumption of indigenous lignite for the production of electric energy by DEI [Public Power Corporation] will increase eight times, in the framework of the government policy for replacing oil with domestic energy sources. This was announced by Minister of Commerce Ar. Kalandzakis after yesterday's meeting, in which took part Minister Without Portfolio St. Dimas and Minister of Industry and Energy St. Manos, with Czechoslovak Minister of Foreign Trade Barcak. More specifically, lignite production will be increased from the 10 million tons which it is today to 70 to 80 million tons in 1990. In this conference, which was related to the signing of an agreement for economic cooperation between Greece and Czechoslovakia, after abrogation of the two countries' clearing beginning 1 January, there was also discussion of the subject related to the establishment of a mixed Greek-Czechoslovak enterprise in Greece to produce excavators and conveyors appropriate for the lignite mines. This unit, which will export, will also cover the needs of Greek mines. There was also a discussion of procurement of a trolley from Czechoslovakia. In the same conference the Greek side pointed out the need for Czechoslovakia to increase its purchases of Greek products so that the deficit in the trade balance at Greece's expense will be decreased. It was also asked that Czechoslovak procurements be diversified with the purchase of Greek industrial and handicraft products which are offered in abundance with exceptional quality and at competitive prices. It should be noted that in the last six years, 1974 to 1979, trade was increased significantly and surpassed one hundred million dollars for both sides totally. However, while Greek exports were increased by 81.6 percent, Czechoslovak exports to Greece were increased by 99.9 percent. Ninety percent of the Greek exports is comprised of agricultural products (tobacco, cotton, hides, raisins, citrus fruits) and only ten percent of industrial products. On the other hand, Greece imports industrial products, particularly lumber, machines, automobiles, textiles, steel, coke, etc. Thus, the deficit at Greece's expense amounted to 15 million dollars on 15 October 1980. [Text] [Athens I VRADYNI in Greek 23 Oct 80 p 13] 9247

SVIMEZ REPORT ON ECONOMY OF SOUTH RELEASED

Palermo **GIORNALE DI SICILIA** in Italian 21 Oct 80 pp 1, 18

[Text] Rome--The fact that industrialization has achieved considerable progress in the South--to the point that the South can no longer be considered a predominantly agricultural area--does not justify the thought that extraordinary intervention should cease at the end of 1980.

This is what emerges from the "1980 Report on the Economy of the South," compiled by SVIMEZ (Association for the Industrial Development of the South) and presented to the press yesterday by Economist Pasquale Saraceno, president of the institution.

According to the report, the initial reason for offering extraordinary intervention to the South is still valid in that:

- a) that intervention is not required in the rest of the country; and
- b) the South requires enormous additional resources and measures different from those which are conceivable when, under normal conditions, Italian society is considered as a whole.

The SVIMEZ report also gives a set of statistics which analyze the development of the economy of the South from the time of the oil crisis at the end of 1973 until the end of 1979.

During the period from 1974 to 1979, the average annual growth rate in the GDP was almost the same in the South (2.6 percent) as in the north-central area (2.5 percent); this similarity in the average rate of progress has lasted since 1960, that is, almost 20 years.

In fact, during the period from 1960 to 1973, prior to the energy crisis, the average growth rates of the two areas were 5.3 and 5.2 percent respectively.

Thus, the beginning of the oil crisis saw a 50-percent decrease in the growth rates of the two areas without changing the relationship between the two.

However, in real terms, there was a decrease of 2.5 percent in the average annual amount of net imports in the South: in other words, there was a reduction of what can be considered foreign capital coming into the area.

In any case, such income is still substantial: in 1979 it represented about 14 percent of the total resources turned over in the South.

In 1979 the South's GDP amounted to 18.596 trillion lire.

According to the SVIMEZ report, 4.4 trillion lire (24 percent) is attributable to agricultural production, 9.19 trillion (49 percent) to industrial production and 5.006 trillion (27 percent) to the public sector and activities of lesser importance.

However, from the end of 1973 to 1979 there was a difference in the amount the three sectors contributed to the growth in the GDP: in fact, agriculture increased at an average rate of 1.7 percent, while industry increased at a rate of 3 percent.

In addition, nonagricultural activities accounted for about 85 percent of the increase in the GDP and agricultural activities the remaining 15 percent.

"The discrepancy between the two values," SVIMEZ points out, "can only increase in the next few years, if the industrial GDP continues to increase at higher rates than those of the agricultural GDP."

Of the 308 persons employed in the South per 1,000 inhabitants, 81 are in agriculture, 56 in industry and the remainder in the service sector.

Therefore, it is important to act in the form of investments; and this observation has particular significance for the South which is simultaneously faced with the problems of restructuring developed areas and those typical of the advancement of emerging countries.

8568

CSO: 3104

SOCIAL PARTNERS DO NOT AGREE ON SOCIAL, ECONOMIC SOLUTIONS

Amsterdam ELSEVIERS WEEKBLAD in Dutch 11 Oct 80 pp 16-17

[Report on the talks in the Labor Foundation following the General Political and Financial Observations in the Second Chamber, by Johan Van Den Bossche and Nico Van Grieken: "Management and Labor Avoid Agreement, 'And Then I Just Said My Lines'"]

[Text] The parliament has spoken. Social and economic problems played the leading role in the General Political and Financial Observations in the Second Chamber. Has parliament really reached a decision? Is the popular representation finally calling the battling social partners to order not? It is high time for a centrally directed wage policy. Kok and Van Veen [leaders, respectively, of the Netherlands Trade Union Federation, FNV, and the Federation of Netherlands Enterprises, VNO] can no longer get along. And in the economics of reality, in the harbors and factories, solidarity with the weaker members of society has been out of the question long since. On the triumph of cowardice and the end of negotiation. Long live the parliament.

The Social Economic Council (SER) building. It is Friday, 3 October, just before 1000. Beautiful fall weather in the Hague. Prime Minister Van Agt, his ministers of economic affairs and social affairs, and several top officials make the short trip between Van Aardenne's department on Bezuidenhoutseweg and the SER on foot. Their step on the way to the discussions with the Labor Foundation is light, in sharp contrast to what you might expect. Pupils from the Zandvliet Christian Community School on the way look on in amusement. That will be the only distance which the cabinet members will cross successfully that day. The top men of the employers and workers prove to be unreachable by the cabinet. The orientational discussion is pointless.

Several hours later, a labor union information officer just whips out of the meeting hall. "I have not heard anything that I did not already know." Had Harm Van Der Meulen, chairman of the CNV [National Federation of Christian Workers in the Netherlands] not already predicted it? "We are going to listen to what Kok, Van Veen and Albeda have to say, and then I'll just say my lines, too." Boredom. But also: "I hope that the employers will adorn a breakthrough." Some spark, then.

1230. Van Der Schalie, the representative of the intermediate and higher salaried employees has also been. Warned against further leveling. Naturally everyone in the hall already knows his story. Just like Perquin's, the representative of the medium and small businessmen. He speaks sternly to the cabinet. Too stiff a reduction in the buying power can cost many of his members their heads. Despite the raised voice his tale is not any more capable of inspiring anyone to the greatest deeds. It is cut and dried. Businessmen who are making less than the minimum wage. The weak shoulders of the corner grocer. They listen patiently to one another. The talk is decorous on all sides. It does seem to be gentlemen among gentlemen.

Then Van Agt answers. "The fundamental rights of labor organizations for free negotiations stands high in the cabinet's agenda. But that right is not unlimited." The first sense. Then about journalists--"the stick behind the door of this meeting hall"--and about the war between Iran and Iraq. Attaining the government's goals depends on circumstances. "If Iran-Iraq should have such far-reaching consequences that we have to determine that the world has suffered another change for the worse..."

CNV Chairman Harm Van Der Meulen interrupts. "Mr Van Agt, in all of the Ministry of Finances' papers and in the Millions Bill, it says that the wage increase ought to be brought back to 6 percent."

Van Agt: "Yes, indeed. Ought, as the necessary result of our arguments. We are faced with very poor prospects."

Now Kok: "That does not answer the question. I want to set the war between Iran and Iraq aside for the time being. What I want to know is whether the pay increase has to be cut to 6 percent. Yes or no?"

Van Agt, softly: "No, you understand me very well."

Help from Albeda: "We have not put any stick behind the door."

Van Agt concludes his contributions to the talks with the Labor Foundation and Albeda continues the cabinet's tale. First an admission from the minister and long-time negotiation economist: "I did not know it would be so hard."

Revealing. The minister shows he distinguishes three variations on consensus: "There is a consensus among the social partners in the evaluation of the economic situation. There is less consensus about the measures to be undertaken, and even less consensus about filling in [the details of] these measures."

Albeda continues: "Kok has not placed sufficient emphasis on the relation between wage moderation and the growth of the collective burden." Kok is silent. On Van Der Meulen's plan for an employment fund: "Has advantages and disadvantages. One disadvantage is that it does not lead to a decline in the increase of the cost of labor. One advantage is that it can be made visible what is being done with the moderation." Albeda has his doubts about making the CNV plan operational. Van Der Meulen does not say anything either.

Trimming

About leveling. With respect to further leveling, we must pay attention, says Albada. "In foreign countries, they say 'The Netherlands is a success story.' Let us take care that in a few years it does not become, 'was a success story.'" Cheerful laughter rings back. Albada concludes: "Without trimming price compensation [cost-of-living adjustment] and/or vacation allowance, we will not get by."

Van Aardenne is the wind-up man. The minister of economic affairs: "I point out to you that our measures are clearly directed toward improving investments." And his remarks on leveling: "If we begin with that [moderating incomes] between the median income and twice the median income, that is where the labor market will begin to work, too." And about the leveling between the minimum wage and the median income, 33,500 guilders per annum: "That interval cannot be reduced with impunity." The minister chanced one more comparison: "Are we not constantly engaged in making the step that we have to take just a bit too small? That is how you fall through." That is what Van Aardenne's remark does, too. No one reacts. People pack their briefcases.

The end of the exchange of viewpoints approaches. Kok knows the crack of the whip and signals long in advance that every man will speak for himself at the press conference. He even preempts two conditions from Van Veen, the employers' chairman: extra alterations in the collective expenditures and a rethinking of the complete, automatic price compensation. Kok declares that the 7.7-percent income reduction at four times the median income is negotiable. And then yet another skirmish between Kok and Van Veen, in which the former advises the latter to pay attention to his words, and in which the latter tells the former that as far as he is concerned "it is not primarily a question of a discussion of price compensation, but of a clear moderation of the total wage in 1981."

It is 1422 hrs. Prime Minister Van Agt concludes. "Much wisdom has been exchanged. We will tell each other goodbye in the sense of serving the country." The message is, be of good cheer. Whether further discussion between the cabinet and the Labor Foundation is desired will depend on the parliament, so there are no agendas. Van Agt disappears quickly in the direction of the Friday cabinet meeting. And it is just as well, for his ears could not stand the statements after the foundation discussion. Van Veen: "Trimming the price compensation and vacation bonus were not on the agenda."

Kok: "It is open season on the price compensation." It is all of a piece.

Commentary by Van Der Schalie, chairman of the Council for Intermediate and Higher Personnel: "We are jointly engaged each day in helping this country further on its way to the dogs. We must not be too horribly surprised if the Netherlands has 500,000 to 600,000 unemployed after several years. And I mean real unemployed, not counting the sick and the WAO [Law on Labor Disability] recipients. I also begin to believe more and more that things will have to get appreciably much worse with the economy before it is really clear how bad prospects are."

EW [ELSEVIERS WEEKBLAD]: "And then?"

Van Der Schalie: "It is getting to be time that a fellow comes forth--no, not a strong man--who can form a technical cabinet, a number of a-political figures who can set things in order in 2 or 3 years."

No one wants that.

"Then the workers will pour out into the street. That, too, will pass. There are always just a few who demonstrate."

Van Der Schalie is a parliamentary democrat. Kok, too. Van Veen and Van Der Meulen likewise. Albada certainly. Democracy is dear to all their hearts. And none of them sees any chance to reach an agreement, a chance for an overall agreement on a common course for the Dutch economy. Once again no social covenant such as SER Chairman De Pous wants. Once again there is a battle for the pennies while the real money is long gone. October, 1980: mottos are proven false: Lubbers, the CDA delegation chairman, this spring: "The wage regulation will increase the willingness to be moderate." We have seen none of that. Nothing. No moderation. No solidarity. But certainly glowing tales. Of moderation, of solidarity, and of the threatened buying power of those receiving the lowest incomes.

Who still remembers the wage of 20 guilders per month? That was January, 1979, nearly 2 years ago. 20 guilders for the workers. Solidarity with the weakest? Not a bit of it. Half a year later, as a result of the delaying factor in the indexing mechanism, social security beneficiaries also received a portion: 16 guilders per month gross, or 80 percent.

That was early 1979. There was still growth, and there would have to be stiff cutbacks in the collective sector, the tax pressure was at its highest, the balance of payments was no longer at its most favorable, unemployment was wavering around 220,000, the government's budget deficit was more than 6 percent, and the labor income quotient was 93, that is to say, the income from labor took the largest share of the total of all income produced by industry.

Thumbscrew

And now? In 1980? No growth this time, or hardly any. A government that is fighting such a heavy burden of debt that the state can just barely avoid borrowing abroad, unemployment storming towards 300,000 men and women, pain in the departments where there have to be cutbacks, lamentation in the communities where the thumbscrew is really being applied this year, and a labor income quotient of 97.5 percent. Let us then say and write that 2.5 percent is left over for profits, investment and hiring.

Has anything changed then in the posture, the position, the policy of our social partners? Even in the year of the wage regulation, 1980, the big-money contracts went through. Where were the screaming employers and their responsibility for everything having to do with our economy then?

Where was Kok, who said in the mid-1970's that our economy would enter the danger zone with a labor income quotient of 76 percent? As late as the beginning of 1979, Wim Kok said that the AIQ [labor income quotient] would have to go down. But that quotient has not declined. It has risen to 97.5. It is incredible. Can it be true that we would have been out of our economic problems long ago if the IQ of the social partners was as high as the AIQ?

But still we have the complicated stories. About members who earn from 50 to 75,000 guilders per month, and on whom as a result the income policy of the CNV is based, about the buying power of those receiving the lowest income, about solidarity. FNV Chairman Kok, on 29 September at the union congress in Den Bosch (Bois-le-Duc): "The cabinet takes, cuts, and cuts back. It plays the groups of workers and those entitled to social security benefits off against one another and tries to drive a wedge into their mutual solidarity."

Who has gone crazy now? Who is using mendacious language here? Playing the groups of laborers and social security off against each other? Solidarity? Schelling feel solidarity towards Groenevelt? Or the other way around? Come on now, Mister Kok, you do know better. Has not your chairman of the FNV Industrial Union been over that completely since 1979?

Buying power or employment is the simplified motto of social and economic discussion both within and outside the labor movement. Well now, Groenevelt presented his views precisely on VARA [Workers' Amateur Radio Association, the PvdA (Labor Party) broadcasting organ] television. Union member Schelling sat there and watched. "Someone whose buying power declines and who chooses to keep his job loses perhaps 1 or 2 percent of available income. But those who come to be out of work lose 20 percent and then even more when they wind up subject to RWW [National Group Regulation for Unemployed Workers] after 2 1/2 years under the WW [Unemployment Law] and WWV [Law on Unemployment Provisions]."

Groenevelt's story in a nutshell, plucked from the hard practice of the daily declining Dutch industry. Everyone can see that. Even the Scientific Council for Governmental Policy [WRR] saw it. But Groenevelt knows too that the current layoffs are not to be reversed by presenting a thick and impressive report on the Position and Future of Dutch Industry.

Absurd

The social and economic problem is infinitely complex, diffuse and absurd. When Ministers Albeda and Van Aardenne and Messers Van Veen, Perquin, Kok, Van Der Muelen and Van Der Schalie informed the press that another day had been spent in pointless talks and that therefore (as Kok joked) finally they could start on their Friday afternoon off, 20 kilometers away in Zoetermeer an agreement was reached on the metals CAO [Collective Labor Agreement].

With difficulty the increase in the cost of labor was kept within bounds, according to Ter Hart, the metals employer. But he, too, naturally knows about the tight points in the labor market. Tight points: demand for personnel where there are

no personnel, offer of personnel where there is no demand and hiring away one another's technically proficient metal workers. Now there is a CAO, but the tight points naturally shudder splashing through.

Thus everyone has his alibi for unpalatable situations. Everyone creeps away behind arguments that illustrate impotence. Minister Albada of Social Affairs has made every effort to find a maid who wants to be registered officially and for whom he wants to pay social security. None can be found. Still, Albada's wife needs a maid. Then just go to the black market.

Van Der Schalie has gone over it more than once with the Rotterdam negotiation economist [Albeda], when once again there had to be talk about the social and economic tight points, when once again reference was made to working wives of men who already brought in a proper income. Van Der Schalie said then: "With this difference. Those women are officially registered. Social security premiums are being paid for them."

This week the fate of the Dutch economy lies in the hands of 150 Second Chamber members. So it, too, is included in the General Financial and Political Observations. Once again there are emotional addresses about the country's belabored national economy. And naturally jubilant cries about Spierenburg's diplomacy and his natural gas successes. Further plan after plan and solution after solution to combat unemployment, to stimulate investments, to save buying power, to jack up profits and to ease the government's financial need. Den Uyl, Lubbers, Rietkerk, Terlouw and Nijhof, they will say it all. But nothing is happening.

1980, the first year of a new decade, which already looks old, gray and tired. Where is the elan? Where is the strength of the modern welfare state? Where have the courage and flexibility of our modern economy gone?

Special Interests

Obstinacy is trump. The relations between the unbridled pursuers of special interests, that is, between employers and labor, are stuck. The economics of reality in the harbors, the factories and the trade offices, where the boss gladly proffers his incidental extras, which have become structural, has triumphed over the macro-economy, the precise views of the science of statistics, graphs, tables, estimates and alarming pictures of the national economy.

It is undeniable, an 8-percent increase in the total wage under the current circumstances would lead to the unemployment of nearly 300,000 men and women. The war between Iran and Iraq really is to the point: a sudden abrupt increase in the price of oil will upset the balance of the wobbly welfare state of 14 million Netherlands even further.

Everyone can see that, too. But everyone goes his own way. The labor movement chooses the path of further leveling, clearly choosing in favor of new tight points as a result of leveling carried too far, while Kok was already pointing out the dangers of a gray leveling the beginning of last year. The employers go their way,

the way of shifting the blame onto the government. Van Veen, in the spring of 1980: And then we conclude long-term contracts, so that the Old Maid winds up with the government, for then extra cutbacks will have to be made there. See the industrialists' proposal: a supplementary alteration of 2.7 billion [guilders] and the Spierenburg successes because of the 1.3 billion already in the hole. And then again to dare to ask for a rethinking of the complete automatic price compensation, when throughout industry complete automatic price compensation up to and through 1981 has already been promised?

The FNV weekly DE VAKBONSKRANT screamed, parliament, do something, on the front page on the eve of the discussions between the government and the Labor Foundation. The triumph of cowardice, the end of a welfare state full of alibis for yet again more demands which all lead to yet again more tax pressure, yet again more collective demand on the national income, even more unemployment.

Has Kok learned anything? How urgent was the need to reduce the national contributions to the social security funds, he asked his listeners in Den Bosch. What connection is there between the withdrawn national contribution and the increased social security premiums? "The government is forgetting itself if it thinks to deal with the social security funds as it sees fit." That is the height of brutality.

A pretext with which to cover his own lack of bargaining power. Was it not Dr Jaap Boersma, the then minister of social affairs, who first jumped in with national contributions to protect the social security funds from worse in 1974? As though of themselves, Boersma's contributions quickly became an established right, despite the question of alteration which then broke loose in all vigor. And, has there been moderation since then? Has consumption really been adjusted to turnover? By no one. But now that the government, forced by an inordinate burden of debt, really must cut back, for example, the national contribution to the social security funds, the house is too small. Employers and workers must really again settle up for their social burden. Once again, it is the triumph of cowardice. Parliament, call the social partners to order. Surveys show that the public really wants moderation.

Indictment

Is democracy at stake? The question really is an indictment, against everything and everyone. Never before has this country, part of the Western industrialized world, in sharp contrast with the poor in the developing countries, experienced such a long period of welfare, social security and luxury. It is an indictment against society, against the welfare state, which cannot deploy its private strength to turn the tide. EW [ELSEVIERS WEEKBLAD] does not belong to the new order of doom sayers. Democracy need not be at stake, for the parliamentary democracy in this year has not yet demonstrated its true strength sufficiently. Will parliament show its true face this week? Will parliament decide in favor of a centrally directed wage policy? There seems to be no other way. Even Spierenburg's diplomatic prowess would get stuck in the malaise in the negotiating structures of employers and workers.

So. A directed wage policy. Attainable or not attainable? The obviously only solution for the social and economic problems is debatable. Naturally a directed wage policy does not mean the end of the bickering, the little extras, the black wages. No one can write a guarantee for the highly necessary reorganization of our national economy. In any case, the social partners have shown that they cannot take up that task.

If the government should fail too, the country will really be on the rocks. Employers and workers--the instrument of outmoded negotiation--must suffer for their irresponsible group behavior.

Negotiation is dead. Long live the parliament.

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CDA LUBBERS' STATURE, INFLUENCE IN GOVERNMENT GROWING

Amsterdam ELSEVIERS MAGAZINE in Dutch 18 Oct 80 pp 14-17

[Report by Dieudonnee Ten Berge: "How Will Albeda Unload the Old Maid? The Chamber Governs, Fine"]

[Text] Former industrialist Dr Ruud Lubbers is beginning to remember things from his past again. How does one run a firm? How does one run the Netherlands? He had learned so well at home, but later he had forgotten again: if it wants to continue to exist, a firm must pay, that is, it has to make a profit. And industry as a whole is the cork on which a country floats. Lubbers remembered those things from his past when he prepared himself for the General Political Observations. "Our economy is on the rocks," said the CDA delegation leader in the Second Chamber. The reborn industrialist. He used many nice words, but the impact was hard. The CDA showed it shares his new realism. The CDA delegation seemed to have had one man added to it: The spirit of Mr Frans Andriessen, the finance minister who resigned in February, who got no recognition at the time but who is getting it now, was invisibly present.

Andriessen was present in flesh and blood on Saturday 11 October when the big CDA fusion celebration was celebrated in the Congresgebouw in the Hague. He sat there rather sphinx-like in the midst of harvest wreaths and glowing speeches. Former Secretary of State Van Rooijen, however, who made himself so unpopular within the CDA that he had to leave for Shell, told everyone who would listen, "I did not know what I was reading when I opened the paper. That Frans and I would have our way now." One of the answers was, "Maybe you left too soon, Martin."

On Opening Day the cabinet had passed the Old Maid of retrenchment to the social partners. They did not want to have anything to do with it and gave it to the Chamber. Parliament itself would have to come up with suggestions to get the economy running again, to be more moderate and to create more jobs. The cabinet, gradually becoming fatigued and convinced that after parliamentary treatment any healthy economic idea was only a weak, sick and nauseous suffusion, rendered apathetic by the flaccid attack of parliament, that cabinet sat back last week surprised and delighted. Chamber members, who themselves had cause to wonder,

proved themselves to be more valuable than usual, when they usually keep busy criticizing what others have thought out.

On the very first day of the General Observations, Lubbers, the CDA leader, called for stiff wage moderation. In the next 2 hours, the VVD [People's Party for Freedom and Democracy] and opposition party D'66 [Democrats of 1966] were to follow. The holy cow of price compensation might even have already been slaughtered by Lubbers, and the vacation bonus was not safe, either. The argument that a shift from direct to indirect taxation is so costly for the lowest paid members of society was hurriedly swallowed when Lubbers understood that his suggestions, too, would have to be paid for in the long run. All in all, in his opinion, wages might rise by 4 percent next year. The cabinet had hoped that employers and workers would voluntarily make that 6 percent, but before the negotiations within the Labor Foundation Albeda had already made it plain that he would not begin to think of interfering beyond 8 percent. And with that, any wage moderation below an 8-percent increase was suddenly gone.

But the political parties had different ideas about that. The CDA, VVD and D'66 joined in presenting the demand for 4 percent, and while they were at it, the gentlemen bowed to each other, complimenting one another's plans time and again. "Our plans are not holy," said Rietkerk, the VVD leader. "Everything is negotiable," said Lubbers. Only the PvdA [Labor Party] did not go along. The socialist were just as surprised as the cabinet to see what a big majority was clearly willing simply to set aside the holy price compensation. According to Den Uyl, Kok [Chairman of the Netherlands Trade Union Federation (FNV)] would never go along with that. And for Den Uyl, what Kok thinks about it is the same as a "broad social foundation." Therefore, Den Uyl made attempt after attempt to attract D'66 and CDA to his camp of expansive policy, increasing debts and only calling for payment by those with twice the median income or more. But Lubbers spurned his attentions.

Completely beyond himself, Van Agt threw a little more salt into many wounds: "It pleases me that there are so many supporters of the Specifications policy, which had the goal of reducing the collective burden and decreasing the cost of labor."

So there is approval in the Second Chamber for a stiff wage moderation. The cabinet can impart that to management and the labor movement. They wanted a statement from the parliament; well now, they have one.

As the day passed, Minister Albeda's face got cloudier. He is fortunate that so far no real decisions need to be reached, for first there is still the discussion with the social partners. But it is a check to the minister. With tooth and nail he has opposed any measure that might cast a shadow on relations with the social partners. His position was even so strong that the cabinet sacrificed Andriessen as minister of finances to keep Albeda. He thought he had matters in hand this time, too. The cabinet had decided initially that the extra natural gas money was to go directly to industry. There had even been a letter written to the Second Chamber about that, signed by Van Der Stee and Van Aardenne. "I see that differently," Minister Albeda said, cold sober. "That natural gas money must be negotiable with the employers and labor. Even if it is a matter of more directed use of that money for employment." The result was fury among his colleagues.

At the CDA festival, Minister Albada greeted Mr Van Veen and Mr Van Eijkelenburg, both of whom are members of the new party. Their opponents, Kok and Spit, also came. They sat there with faces that looked as though they had seen the wine list in a too-expensive striptease tent. Everyone was greeted quite formally, but the minister carefully avoided any talk. "The question is naturally once again, what will the social partners do with all of the goodies the Chamber is preparing for them?" he said to a friendly fellow party member at the moment that Piet Steenkamp was receiving a long ovation. Albada knows perfectly well that management and labor just want one thing from him: to let him pull the chestnuts out of the fire. That is to say, to have him write a wage regulation.

One CDA Chamber member from the socioeconomic sector says: "What will Mr Harmony Model have to do now? Write a wage regulation, when he is so much opposed to one? Or deliver a direct affront to the Chamber by not doing so?"

The minister of social affairs is really in the middle of it now. The man who wanted to keep the peace with the labor movement with an 8 percent pay increase has now heard from the parliament that he must back down to 4 percent. That might mean the political end of Minister Albada. But things are not that far yet. The "Save Albada's Face" movement is in full swing. One source from Social Affairs: "What they are aiming for now is, if the second discussions in the Labor Foundation fail, Albada will set down a 'miniwage regulation,' cutting back price compensation, cutting back the vacation bonus. And then there will be some tax reduction and perhaps a little less increase in social security premiums. That will come out higher than 4 percent, it is even expected to come out higher than 6 percent. But Albada will be able to keep his seat."

"There is something of the sense of 'every man for himself and God save us all,'" says CDA Chamber Member Steef Weijers. "During these latest Political Observations, no one has been going around handing out any presents."

Another Chamber member at the CDA festival, Rene Van Der Linden, finds: "It is striking that the PvdA has come to be so isolated. We did not see anything of their trying to exploit the differences between us and the VVD.["] Practically at the same moment, PvdA leader Den Uyl said on the radio that the CDA is becoming increasingly conservative. "Perhaps more realistic," would be Lubbers' answer.

Lubbers played the same role at the congress as in the Chamber. He spoke with verve about the distribution of the welfare which is still available. He said that the Netherlands is still a land of plenty, and that the lower paid are more willing to be moderate than those who are paid more. The family in which both husband and wife have an academic education, with an expensive auto in front of the door and two vacations a year must also be brought to realize that they are living off the fat of society, natural gas, he said.

It was Lubbers on the national tour. Wiegel wanted a national cabinet in order to get at the ills of society, but it did not work. All told, Lubbers now has his shoulders under it, a new propagandist for the national approach.

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POLL SHOWS 42 PERCENT FAVOR NATO STOCKPILING

Oslo AFTENPOSTEN in Norwegian 8 Nov 80 p 3

[Text] According to this week's Gallup poll 42 percent feel Norway should agree to prior stockpiling of American military materiel, 34 percent feel we should refuse and 24 percent are unsure. Half of those favoring stockpiling thought it should be done in northern Norway. Only a fifth preferred central Norway with an equal number believing that storage should occur at various locations around the country.

The questions were formulated before the government had decided to approve prior storage but all the interviewing was done after the government had made its decision public.

Question 1. Recently there has been a discussion concerning whether or not the United States should stockpile military materiel in Norway. Do you think Norway should say yes or no to this?

	All	Men	Women
Yes	42%	54%	29%
No	34	32	37
Don't know	24	14	34

As we see a majority of men favored prior storage while a majority of women did not. Age made relatively little difference to the replies. When answers were divided up according to the party respondents would vote for we find that a majority of those approving prior storage belonged to those who align themselves with the Conservatives, the Center Party and the Christian People's Party. In the Socialist-Left Party, the Liberal Party and the Labor Party there are majorities against prior stockpiling.

In the table below the answers have been arranged according to the political sympathies of respondents.

Would vote for	Yes	No	Don't know
Labor	34	42	24
Socialist-Left	10	77	13
Conservative	69	14	17
Christian People's Party	42	31	27
Center	49	24	27
Liberal	32	43	25

Question 2. If it is decided that the United States should stockpile military materiel in Norway where in the country do you think these stockpiles should be located--in northern Norway, in central Norway, in southern Norway or in several different places?

Everyone was asked this question regardless of the answer given to the first question. However we have divided up the answers according to the answers to Question 1, in other words according to whether or not the respondent felt Norway should agree to stockpiling. These major results are shown in the table below.

	All	Yes	No
Northern Norway	34	52	21
Central Norway	16	21	14
Southern Norway	4	1	10
Several locations	15	19	14
Don't know	30	7	41

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PAPER ARGUES THAT STEEN'S VISIT TO MOSCOW WAS WRONG

Oslo AFTENPOSTEN in Norwegian 10 Nov 80 p 2

[Editorial]

[Text] It created quite a stir in political and diplomatic circles that Norway and Turkey were the only NATO countries represented by their ambassadors at the military parade on Red Square on 7 November. To top it off Norway was also represented by one of its cabinet members.

Acting on instructions from the Norwegian Foreign Ministry our ambassador to Moscow, Dagfinn Stenseth, was among the official guests attending. That in itself was remarkable since it marked a break with the unified protest of NATO countries against the Soviet invasion of Afghanistan and its repressive actions there. But to further underline our neighborly relations and our friendly ties with our powerful Soviet neighbor Trade Minister Reiulf Steen also turned up among the spectators. And he did so because--as he said--it would have shown an unfriendly attitude to refuse the invitation to attend the celebration of the revolution when he was in Moscow anyway. According to Steen it is also an important factor that he was not present in Red Square as the Norwegian trade minister but as the chairman of the Norwegian Labor Party.

The latter must be regarded as an empty excuse for Mr Steen must know that a cabinet minister cannot put aside his role as a member of the government whenever it is convenient for him, least of all on an occasion such as this. And in view of the great importance Soviet leaders assign to Party, with a capital P, the party chairman should have reconsidered too. The chairman of the Norwegian Labor Party is not just a member of the "general public" on Red Square.

If Reiulf Steen had found it politically inconvenient, not to mention improper, to participate in the 7 November festivities in a situation in which other NATO countries demonstrated a political position by having their ambassadors stay away then he should have taken the consequences. It would hardly have been difficult to find good and sound reasons for returning to Oslo after his official visit was over. Among other things one would think the minister of trade had urgent reasons for coming home to the finance debate in Storting. He had a lot to answer for there, especially as a result of the stagnant tendency in the international economy and the effect this could have on Norway, particularly on export industries.

But Reiulf Steen's evaluation was that he had a bigger job in Moscow even after his official mission had been completed. We agree with him that it is vital for Norway to maintain good relations with our eastern neighbor and no one would deny that detente efforts are more important now than ever before. We simply feel that Reiulf Steen misunderstood his duty in this context. Norway will not contribute to peace and detente by breaking solidarity with our NATO allies or by failing to show our repugnance for injustice and oppression in this way. On the contrary--the only thing we will achieve is to make peace even less certain even for our own country.

Many people have probably noticed that Steen's actual excuse for attending the 7 November celebration was concern for Soviet reactions if he had stayed away. So it is not so unreasonable after all that some people suspect the Norwegian government of having a tendency to give in to pressure in foreign policy. And that this is a contributing factor to abandoning the idea of storing materiel in northern Norway in favor of Trondelag. For--as Foreign Minister Knut Frydenlund has said himself--if stockpiling occurs in Trondelag this "cannot be justifiably claimed to constitute a threat to other countries."

Again we must ask: a threat to whom?

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PAPER CRITICIZES LIBERAL PARTY VIEW ON STOCKPILING

Oslo AFTENPOSTEN in Norwegian 11 Nov 80 p 2

[Editorial]

[Text] Norwegian security policy is based on the premise that our country will be able to receive allied help if it becomes necessary. This in turn is a condition for maintaining our base policy--and not having nuclear weapons on Norwegian territory. These are central elements in the defense policy maintained by various governments ever since we joined NATO more than 30 years ago with the support of an overwhelming majority in Storting all along.

We find it necessary to recall these facts now that the Liberals are once more making a wholehearted effort to ride two horses at the same time. The party's national council favors binding cooperation in the NATO alliance but opposes advance stockpiling of heavy American equipment in Norway "since this violates the intention of our established base and nuclear policy." This provisional position is so permeated with skepticism concerning the current storage of allied equipment that even the NATO opponents among the Young Liberals agree with it.

In our opinion the party's two Storting representatives--one of them the chairman of the Liberal Party at that--at least should know better than the amazing "since" employed by the national council suggests. In the first place it is a fact that the development of forces in northern ocean areas has created uncertainty about the delivery of the allied reinforcements on which the defense of our country depends. Like the 1974 Defense Commission the government supports the stockpiling of heavy allied materiel as a necessary measure in this new situation. This was also considered of course when Storting discussed long-range defense planning as late as this April. The popularly-elected representatives concluded that such advance storage is not in conflict with our base policy; on the contrary it is a prerequisite for maintaining this policy. As far as we can remember this quite central element was not attacked by the Liberals then nor did they react when responsible government sources repeatedly made the same point later on.

With regard to the very relevant question of placing nuclear weapons on Norwegian territory we think everyone should note what former Prime Minister Einar Gerhardsen pointed out in the book, "Nuclear Weapons and Insecurity Policy,"

that this aspect of our security policy is also well-established. One can safely add, "of course." It is true that the defense minister has revealed that nuclear missiles can be fired from weapons intended for stockpiling. But note that this is also true of weapons already used in our defense system. Thus the situation is unchanged in this respect too. In addition it is worth noting that the allied equipment and the allied forces will naturally be under Norwegian control and command.

The NATO treaty provides guarantees of assistance, says the Liberal national council which adds: "We are also obliged to plan and act on the assumption that it may be impossible to completely fulfill the guarantees as planned."

This is no less than an insinuation and a mark of disrespect to the United States and our other allies. But if they manage to upset plans for stockpiling, which is what forces in the Liberal Party and other leftist parties really want, it is clearly a question whether our allies can and will come to our aid.

The majority of the people will see through and reject the leftist strategy for insecurity.

The NATO treaty provides assurances of assistance according to the Liberal national council. It can do so safely for the defense alliance is based precisely on solidarity and mutual effort.

But this position is basically false because forces in the Liberal Party as in other parties on the left really intend to make it impossible for Norway to receive allied help in a crisis situation. If their political intentions are carried out with Norway as a NATO member more on paper than in practice our country would be an easy prey for possible assailants.

Such molelike agitation could be carried that far. But the majority of the people will see through and reject the leftist strategy for insecurity.

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PAPER DISCUSSES NEW BOOK ON DEFENSE POLICIES

Oslo AFTENPOSTEN in Norwegian 6 Nov 80 p 2

[Editorial]

[Text] Have they really considered their positions and their roles? We are referring to Consumer Affairs and Administration Minister Sissel Ronbeck and Ambassador Jens Evensen and their contributions to the debate book, "Nuclear Weapons and Insecurity Policy." It must be regarded as highly improper for a member of the Norwegian government--albeit with reference to military strategists around the world--to write among other things: "For instance they are now making plans aimed at having the first man to strike win a nuclear war--without being personally touched by it. We also know that the strategists want a 'limited' nuclear war, limited to Europe, for example." The minister's outburst is aimed undoubtedly at Washington rather than Moscow for what do we really know about what they are considering there?

With regard to Ambassador Evensen we feel he should have avoided statements like this: "Neither our forces nor our national territory should be used for offensive purposes." This is quite superfluous since the ambassador's employer, the government, has repeatedly pointed out, most recently during the ongoing debate on stockpiling, that what is involved is a defense system of a clearly defensive nature.

However if one loftily ignores such statements like the chairman of the Oslo branch of the Labor Party, Thorbjorn Berntsen, one is much freer to mess up a factual debate. The same thing applies to nuclear anxiety and armament fears used for this purpose. Of course by doing this one can create a more fertile soil for an overwrought position on both the United States and NATO--and Norwegian membership in the alliance. But the stakes are high, they involve our security and the defense policy opposition in the Labor Party must take that into serious consideration.

In a period of international crisis all responsible Norwegian politicians should regard it as a major duty to strengthen ties with our allies--and especially with the United States as our most important ally. The American participation has been and continues to be the main girder in the western mutual defense system. Thanks to our cooperation with them we too have managed to

preserve our freedom and democracy. We have lived securely in the shadow of the American "nuclear umbrella" among other things. We still need this protection, at least until we have balanced disarmament and arms controls in East and West.

This goal has the wholehearted support of people in our country and in the West in general. But what about the East bloc and the superpower there? They prefer words to genuine detente efforts. We cannot afford a defense and security policy debate in which we try to kid each other that the facts are different. Illusions here can have fatal consequences.

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BRIEFS

BODO BASE SHORTAGES INVESTIGATED--(NORWEGIAN PRESS AGENCY)--On Friday the supply command of the Air Force appointed its own investigation commission to look into the shortages in supplies revealed at Bodo air base. The shortages were uncovered in an inspection made by representatives of the supply command at the base 2 months ago. The inspection revealed lack of controls and inaccurate materiel accounts, unauthorized purchasing routines and unsystematic statement practices in addition to the fact that defense service regulations had been ignored, according to a press statement from the Defense Ministry.
[Text] [Oslo NORGES HANDELS OG SJOFARTSTIDENDE in Norwegian 8 Nov 80 p 20]
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PROSPECTS FOR THE POLITICAL FUTURE OF THE LEFT

Rome LA REPUBBLICA in Italian 18 Oct 80 p 12

[Interviews with Communist Party Leader Alvaro Cunhal and Socialist Leader Mario Soares by Edgardo Bartoli: "Soares and Cunhal, the Faces of Defeat"]

[Text] Lisbon--What did the 5 October elections in Portugal really mean, and how justified is the funeral ode which newspaper commentaries throughout the world have dedicated to the Revolution of Carnations of 6 years ago? Replies given to these questions by Mario Soares, head of the Portuguese Socialist Party, are calm, reasoned and balanced in their optimism. He is the man of "normalization," the former premier of governments which from 1976 to 1978 took Portugal from picturesque revolutionary enthusiasms to everyday political reason, and his party remains the strongest of the entire Portuguese left. In his moderately well-furnished apartment--a bourgeois interior, on the outskirts of Lisbon--Soares speaks as though he were alone without reciting the role of the leader, never resorting to cliches. He is convincing, or at least persuasive. Alvaro Cunhal, secretary of the Portuguese Communist Party, answers the same, but differently formulated, questions in a manner that is entirely opposite in content and form. In the PCP headquarters, where a meeting of the Central Committee is being held to decide among other things whether to support President Eanes in the next presidential elections or whether to present a communist candidate, Cunhal appears shirtless, his flowing white hair tossed back, his serious, nervous face bursting occasionally into a smile. He is the last orthodox Stalinist of Europe, and it is apparent. With his head lowered, resembling Beethoven's bust, he listens and occasionally intervenes in what is being said by the party official who accompanies him. He does not speak, and he wants questions in writing. If his replies are convincing, they are so in an impersonal way. But it does not seem to us that they are.

[Question] All the world's newspapers, even the American, shed tears over the outcome of the last Portuguese elections over the end of a beautiful dream, over the shift to the right, over the restoration of carnations to the country. But in the final analysis, what happened in Portugal?

[Answer--by Soares] What happened is that the right won the last elections. It is a dangerous victory because in our view the right used its government powers illegally. During the last 9 months, instead of governing, it carried on an electoral campaign, pushing aside the opposition, abusing all the means available

to it, beginning with radio and television. Furthermore, it was a campaign of provocation and a certain violence, of arrogance, of abuse of power, for example, toward public officials who were sidelined because they were not politically aligned.

In any case the right won. To a certain point, however, because altogether it had fewer votes than the left. But the right is compact, from the extreme to the center, while the left is divided and thus, thanks to the D'ont electoral method, it took the majority of electoral seats with a minority of votes: 47.5 percent against 48.5 percent.

What happened? Arithmetic aside, this is what happened: A part of the bourgeoisie and certain sectors of the masses voted for the right, and that was a surprise. Why? Because there was above all a "revolutionary reflux," then became the deeper nation, the backward, retarded, underdeveloped, religiously prejudiced, nation emerged. The church weighed heavily in this electoral campaign. In the third place, the trauma of decolonization was felt.

We socialists found ourselves in an interesting situation. We contained the descent of prior years toward "Italianization" of Portuguese political life, and in holding about 28 percent of the vote, while the Communist Party dropped from 19 to 16 percent. We succeeded in taking from the communists the popular electorate of the big cities. Unfortunately, we did not gain on the right as we had planned.

[Question] You said "Italianization" of political life. Shortly before the elections you had also spoken of "Italianization" of the Socialist Party. You maintained that it would have been as pleasing to the communists as to the right. What precisely did you mean to say?

"The Rights Rejects Alternatives"

[Answer] I meant that both the right and the communists have always aimed at bipolarization of society. The weapon of the right considering the communists the only existing opposition, with the socialists always in a back seat. For the communists, the adversary is the right, with the socialists as a divisive force. The fact is that the right does not want possible alternatives, and the communists want absolute leadership of the left.

In Portugal these two plans cannot be achieved. The contrary happened in Italy, where the socialists have continued to decrease in the postwar period until its present 10 percent today, while the communists have risen to 32 percent. This is the meaning of the word "Italianization." For us to have prospects of exercising power over the left it is not necessary for us to count on the communists, but to try to attract those center forces that make a center-left possible.

[Question] Therefore in Portugal the problem of an alliance between socialists and communists is not even posed since they will always remain two distinct and separate forces.

[Answer] No, in effect the problem is not posed. No alliance is possible in the first place because we had a direct confrontation in 1975 when the communists tried to take power through force. And then the PCP is a strongly Stalinist, rigid, party, which, for example, approved the Soviet invasion of Afghanistan while it took no position on the Polish strikes. Finally, its monolithic conception of the trade union, its hermetic conception of the left make any kind of understanding impossible.

[Question] Now, however, there is a danger that these tendencies toward polarization, toward radicalization, both on the right and of the communist left, are rewarded. There is the problem of constitutional reform which the winning right demands. The only way to avoid this danger is to accept negotiation, that is to accept reform.

"We Will Defend the Constitution"

[Answer] We are loyal to the present constitution. We believe that it can be reformed in terms that it itself poses, that is to say with two-thirds of parliamentary votes. It is here that an agreement and compromise is possible. But a compromise is not a diktat from either side. The present majority wants to tear up the constitution and write a new one that does not discuss rights of workers and revolutionary conquests. For this reason we are against the referendum on the constitution: Because it would be a way of disguising its complete distortion through a simple majority. Instead, let us negotiate; let us accentuate the civil character of the constitution; that we agree with; eliminate from it certain ideological aspects that are not essential, we agree with that; as we agree with abrogation of the Council of the Revolution and on the subordination of military power to civil power.

On this level we are ready to compromise. But if it is desired to overturn the entire economic content of the constitution, eliminating the system of mixed economy that it provides, destroying the public sector, destroying agrarian reform...

[Question] But it is not a matter of a mixed economy, or not only of that, The Portuguese constitution is explicitly socialist.

[Answer] No, why explicitly socialist? Its inspiration is socialist in the sense that it says that we are moving toward a society without exploitation of man by man. But private initiative is guaranteed. Then there is the part regarding the public sector. There is the Alentejo agrarian reform, the region of the old land-owning interests...the constitutional question is a little too much of a pretext. The project of the Democratic Alliance and of the neo-Salazar right is simply a return to the past, a kind of Caetano approach without colonies.

[Question] And that the right won...

[Answer] It won and now it should begin to govern, something it has not yet done. Let it govern and honor the promissory note of the promises made to the country, promises of economic development, of reduction of inflation, etc. As far as we

are concerned, we will work in the trade unions, in the cooperatives, and we will be in the opposition, loyal to the political democracy that we, we socialists, established in Portugal in 1976. We respect the choice of the Portuguese electorate. The nation wanted a government of the right and here it is.

[Question] Providing that a possible victory of the candidate of the right in the presidency of the republic, General Soares Carneiro, does not create a situation in which this government will remain there forever. Then there would be reason to cry for Portugal.

Threats Against Democracy

[Answer] Threats against democracy exist. A harsh logic of the right is active. Within the Democratic Alliance [AD] there are antidemocratic forces: Some forces. Therefore it is necessary to help the AD to contain and dominate these extreme components. It is no use making a mountain out of a molehill as the communists do: Is the AD the fascist right? No, it is not. They are conservatives, not fascists. And in any case, the voters who put them in power are not fascists. Despite everything the only thing to be done is to keep the dialog open even without making concessions, but recognizing that this is the democracy we wanted.

[Question] Victory of the right, constitutional reform, danger of radicalization of the political struggle. Many, including President Eanes himself, seem to favor opening negotiations on the question. What about the Communist Party? Will it in any case support Eanes?

[Answer--by Cunhal] First of all, it must be pointed out that the AD of Sa Carneiro, which consists of the Social-Democratic Party, of the Democratic-Social Center, and the Monarchist Popular Party, is not a center-right coalition, but one of the right and the extreme right. The social democrats, with their vast fascist and profascist ranks, have nothing to do with social democracy. Social democracy in Portugal is represented by the Socialist Party.

With a government made up of these parties, the last elections cannot be considered a free expression of the Portuguese people. The democratic nature of these elections was gravely compromised by the monopoly of means of communication by the government, by its demagogic systems, by its repressive and threatening action, by the use of the state apparatus for electoral purposes, by numerous frauds and irregularities. The government coalition's political-social base is much narrower than appears from these elections.

The Communist Party favors the constitutional revision of the constitution: observing the material and formal limits of revision. There are principles that legally cannot be changed (liquidation of monopolies and large land holdings, freedom and rights of citizens, proportional representation in elections, etc.). And for any other revision it is necessary to have a majority of two-thirds of the Assembly of the Republic. Agreements and negotiations are desirable and possible, but on the basis of constitutional legality. If these principles were not to be observed (and the government parties do not want to observe them) it would not be

a matter of revision but liquidation of the constitution: It actually would be a coup d'etat. Regarding the presidential elections, we will make a decision on the 25th. But the general orientation has already been defined: the essential, decisive and priority objective of democratic forces is to defeat the candidate of the AD, General Soares Carneiro, whose election would renew the threat of fascism for Portugal.

"We Are Not Interested in a Decline of the Socialist Party"

[Question] Mario Soares, according to the newspapers, already has said that the Communist Party would be as happy as the right to see an "Italianization" of the Socialist Party. Is this true?

[Answer] No it is not true. Neither the right nor the Communist Party has any interest in the reduction of the Socialist Party to a small party in the national framework. Following the 5 October elections, the reactionary parties showed their pleasure because the Socialist Party had maintained its electoral positions and contributed to preventing progress by the Communist Party. As far as we are concerned, we repeatedly said we hoped for a strengthening of the Communist Party as well as of the Socialist Party at the expense of the right. But we also said (it is an indisputable truth) that a democratic alternative is not possible without the Communist Party.

If the Socialist Party insists so much on speaking of its "Italianization" it is not because that is in the plans of other parties, but because it is aware of its progressive loss of strength and authority, while the Communist Party has registered continual progress since 25 April 1974.

[Question] But you lost many votes in the last elections.

[Answer] The Communist Party and the APU (United Peoples Alliance, or the communist front), together had 785,594 votes in 1976 and 1,122,239 votes in 1979 in a favorable political cycle. In the elections of the past 5 October, in an unfavorable cycle, they received 1,000,967 votes. That is 120,000 fewer votes for the socialist front (the illusion of the "useful vote"), and to the AD (the fear of losing the benefits that were demagogically granted). In any case, it is certain that the APU has held onto 215,000 votes, that is two-thirds of the increase between 1976 and 1979. It is the transformation of a large part of the votes gained between 1976 and 1979 into a solid political base, which was no longer affected by the cycle.

"Joining the EEC Would Result in Ruin"

[Question] Regarding "Italianization," the Portuguese communists are the least "Italianized" of Europe, the most integralist. Let us see: How far does your anti-Europeanism go, or what would you personally want to do in Portugal that Berlinguer would not do, or vice versa?

[Answer] Our party does not copy foreign models, it does not assess its own actions by comparing them with hypothetical actions of any other party in any other country. We are a party of Portuguese workers, rooted in Portuguese reality, which defends the interests of the Portuguese people and of Portugal. This is why we are against integration into the Common Market.

In the first because, given the considerable backwardness of the Portuguese economy compared with other nations of the EEC, our industry and our agriculture (above all, small and medium businesses) do not have competitive abilities, and without tariff protections, they would be defeated and ruined in their domestic market. In the second place, because, with integration into the EEC and with the supposed need to uniform economic systems, there would be an effort to liquidate the nationalizations and the agrarian reforms and restore monopolistic groups and state capitalism which have exercised their tyranny over Portugal during 28 years of fascist dictatorship. In the third place, because with the EEC our economic policy would in effect be controlled by the more developed nations of the Community. We believe that in Portugal, in politics as in economics, the Portuguese must decide.

[Question] And what is the status of your relations with the socialists?

[Answer] Strong tendencies are observed among the socialists toward a rapprochement with our party and toward common action against the reactionary offensive and the fascist danger. Many difficulties remain regarding the direction of the Socialist Party given the continuation of the influence of a primary anticommunism which leads to the systematic rejection of an alliance and of any common or agreed-upon action with our party, and instead moves toward alliances with reactionary parties. But despite this attitude of the socialist leaders, we insist on the necessary unity among all democrats, above all between the Communist Party and the Socialist Party. No democratic majority is possible without an agreement between the two parties.

6034

CSO: 3104

NEW CONSTITUTION CALLED UNNECESSARY

Ankara YANKI in Turkish 13-19 Oct 80 p 9

[Interview with Professor Dr Mungi Kapani]

[Text] Professor Dr Mungi Kapani answers YANKI's questions:

Question: The biggest complaints are about the Council of State and the Constitutional Court. Why?

Answer: Actually, complaints about the Council of State and the Constitutional Court cannot exactly be considered new. Ever since the 1961 Constitution went into effect, Justice Party administrations have seen these judiciary organs as an impediment which forces them to act in compliance with the law and the constitution and keeps them from doing whatever they want as an administration or running the country in their own way. According to this concept, the Council of State and the Constitutional Court are institutions which rob the state -- or, more precisely, the political administration -- of its power and effectiveness.

In my opinion, it is impossible to share this view. It may be true that the Council of State and the Constitutional Court have occasionally made controversial rulings or ones open to criticism. However, it would be wrong to restrict on this basis the powers of these high judicial bodies which are considered the chief safeguard of the legal state and to demote them to "shadow institutions." In fact, the Supreme Court of the United States of America has also made rulings from time to time which were not considered wise, which were heavy on the political side and which led to some temporary discomfiture in the political system. But it never entered anyone's mind because of this to clip the Supreme Court's wings or narrow its function.

Question: Can democracy exist without these two institutions?

Answer: Judiciary oversight is a general rule in all democratic legal states. There may be some old and established democracies without a judiciary body (constitutional court) to oversee constitutionality of the laws as a result of historical development or confidence in the parliament; as in Britain, for instance. Britain has no written constitution in the true sense anyway. However, the parliaments and political administrations there have hardly been seen or perceived to lapse into arbitrary methods of government or to trample the democratic rights and freedoms of the citizens, thinking there was "no such legal safeguard." It is necessary to point out in this regard that in the new constitutions written after World War II, constitutional courts were placed in the key position of the system, especially in nations where democracy had been suspended for some time (such as West Germany and Italy).

Question: How is an unconstitutional stance by the lawmaker or the executive checked without a constitutional court?

Answer: There can be no question of effective control in this area without an independent judiciary. In fact, the 1924 Constitution contained the provision that laws could not violate the constitution. However, this provision was void because there was no independent oversight mechanism to enforce it in practice and, prior to 27 May, the legislature had prevented the passage of unconstitutional laws.

Question: What sort of measures may be envisaged at the constitutional level to keep democracy from jumping the track again?

Answer: Let me say first that "constitutional engineering," that is, the intricate patching together of rules and institutions, can have only limited effect from the standpoint of making democracy work. Constitutions are not magic prescriptions to resolve every problem. In the words of a famous jurist, "Even the most perfect constitution in the world cannot relieve people of the obligation to behave rationally." And as far as I know, there is nothing in the world that could be called the "perfect constitution." For democracy to work, all sectors of society, including first of all the politicians and those who govern the nation, must cherish the democratic values.

Question: But, in any case, a constitutional order is necessary. In your opinion, how should this order be established? What do you think about the total abandonment of the 1961 Constitution and preparation of a new constitution?

Answer: In my opinion, the 1961 Constitution is not at all a bad constitution from the standpoint of the fundamental principles on which it is based and its general construction. This constitution introduced the principles and basic framework of the national, democratic, secular and social legal state based on human rights. From this standpoint, I do not think it necessary to start all over again with a new constitution. Just some changes in the malfunctioning sections -- or, more precisely, the sections which were made to malfunction and not allowed to function -- of the political mechanism established by the 1961 Constitution would make it possible to restore the functioning of this mechanism and remove the impediments. For example, amendments which come most readily to mind in this context would be reducing the quorum to facilitate the meeting and endeavors of the parliament, authorizing the president under certain specific conditions to call new elections and taking measures to ensure election of the president on three or four ballots at most (such as automatic dissolution). In addition to these, thought may also be given to other amendments intended to fortify the political administration and prevent obstructions in parliament. The important thing is to make the necessary technical and institutional revisions without touching the substance of free parliamentary democracy or restricting the fundamental rights.

BJ49

CSO: 4907

KURDS DENOUNCE JUNTA AS FASCIST

Huddinge ROJA NU in Turkish Aug-Sep 80 p 1

[Text] After having supported the forces of fascism for many years, having unleashed these forces against revolutionaries and progressives and having exasperated the people through terror as well as murder; the imperialists and their indigenous accomplices have now established an openly fascist dictatorship under the pretext of preventing "separatism, terrorism and civil war." What the fascist junta means by the prevention of "civil war and separatism" is nothing less than the crushing of democratic forces. For years, imperialists have forced reactionary regimes into such modes of government for the purpose of bringing about "political stability."

While Turkey's monopolistic bourgeoisie has been begging the imperialists for money to turn the wheels of the factories it owns, and for money to purchase the raw materials needed for these factories; IMF representatives have been requesting during each and every one of their visits to Turkey that the currency be devalued, strikes be banned and wages be frozen. Turkey's monopolistic bourgeoisie which has been a traditional enemy of laborers and which has thoroughly exploited Kurdistan's resources through a savage policy of colonialism, has been unable to restrain itself from scrupulously fulfilling every demand made by the imperialists.

The "political stability" demanded by the imperialists from their bedfellows within the Turkish monopolistic bourgeoisie actually constituted a request for the crushing of a working class movement resisting exploitation, as well as the suppression of the national democratic struggle of Kurdistan. It is noteworthy that the first offensives of the fascist junta are being carried out against working class neighborhoods with the stated purpose of capturing "terrorists." Kurdistan has been surrounded by military reinforcements. Newsmen have been banned from these areas.

The bourgeoisie will not succeed in concealing its true objectives with its recitation of the usual lies designed to fool the people. With a few token exceptions, those who are caught, sentenced and tortured will not be fascist militants but socialists and progressives who are on the side of the laborer. Under the pretext of searching for weapons and "capturing separatists," massively oppressive operations will be undertaken against an entire Kurdish population. This has been best demonstrated by the coup of 12 March. At that time the fascist dictatorship struck not against the right but against the forces of democracy. The people of Kurdistan were rounded up into main squares in many villages and townships, subjected to the crudest and most savage of suppressive operations and made to undergo various

tortures. Today, when we consider the dimensions reached by the liberation struggle in Kurdistan, it is not difficult to perceive the dimensions that will be reached by prospective operations for its suppression.

Forces on the Side of Democracy and Labor!

Today the fascist junta has gone into action for the purpose of filling torture chambers with the most valiant sons of the working class and the purpose of suppressing the people of Kurdistan. By saying that it plans to "purge the country from terrorists and separatists" it wishes to make you a partner in its exploitations, plunder and murders. Let us not forget that it was American that flashed this coup its first "green light" and openly expressed its confidence in the fascist perpetrators of the take-over. In his very first address, Kenan Evren announced his support for NATO--the military organization of the anti democratic imperialists. He declared that Turkish bourgeois governments will respect treaties with imperialists that are entirely incompatible with the best interests of the people. He accepted the last economic measures of the Demirel government that were in effect casting laborers into poverty. He guaranteed continued protection of the interests of a bourgeois class that has thrown the country into its current economic and political crisis.

The dictators say that they will prepare the country for "a democratic political scene" within a short period of time. One must not forget that this "transition period" is intended to crush not fascists but forces that are on the side of labor and humanism, and to remove the obstacles that stand in the way of capitalist elements. However neither the fascist dictatorship nor the phoney "democratic governments" that resemble it will succeed in saving the people from the throes of the economic crisis. On the contrary, they will cause an increase in hardship and unemployment. The example of Chile remains clear. What the fascist dictatorship has brought is seen there more clearly with each passing day. Our people want not a dictatorship but work, bread and independence.

9491

CSO: 4907

JUNTA TO REMAIN UNTIL TERRORISM ELIMINATED

Istanbul CUMHURİYET in Turkish 15 Oct 80 pp 1,7

[Text] Diyarbakir (CUMHURİYET) -- Head of State and Chief of Staff General Evren said in a public address in Diyarbakir, "We will not leave our duty until anarchy is overcome, until this land, this paradise on earth is sparkling clean. This nation curse us if we do." General Evren also said that they were not against the poor and the workers and that "no workers' rights will be lost."

General Evren made a public address at Cumhuriyet Square following the General Fazil Bilge-80 exercises which were conducted in Derik and Mazidagi Districts in Mardin. He said the following on the 12 September action:

"I am not going to explain why the 12 September action was taken. I have done that many times. We did not carry out this action on orders from the top, that is, from the General Staff and a five-person committee. This decision was not the decision of five people. This decision was the decision of the nation. We were forced to do this so that this land would not be divided, we would not be fighting each other, we would not be dragged into civil war."

Stating that peace and tranquillity had existed in almost no corner of the country, that the citizens were troubled, unable to go out on the streets and that neighborhoods and cities were divided against each other, General Evren said, "We could endure this no longer," and continued as follows:

"We are determined to prevent the anarchy and terrorism sweeping the country. To prove this determination, we are fearlessly applying the capital punishment ordered by the courts. We did not make this decision, Independent courts made this decision. And they are decisions made before our time. Then since we believe in the courts and trust them, it is our duty to carry out their rulings.

"We find no pleasure in capital punishment. Yes, we are in uniform. We are soldiers, but for us, to kill is only on the battlefield. No one takes pleasure in killing in peacetime, except those evil in mind and spirit. But these people took fearlessly to arms, shooting without mercy helpless people sitting in the coffee houses, walking on the street. And if we do not stop this, who will?

"We will not leave our duty until anarchy is overcome, until this land, this paradise on earth is sparkling clean. This nation curse us if we do. However, our job will be easier if all of our citizens help us in carrying out this duty, help us to apprehend these people and in the court stages. We ask and hope that the entire Turkish nation will be with us in this struggle with a handful of men."

Stating that the purpose of those who cry for "full independence" is to leave the state in isolation and for this reason they did not want us to withdraw from the alliances, Evren asked that sectarianism and separatism not be allowed and said, "For many years, this sort of thing never occurred. Why has this happened? All you have to do to cause division is use religion for a tool. Islam does not accept sectarianism." The head of state continued as follows:

"We will not ask an accounting of what was done before us. We leave that to the courts. The finger cut off by the Holy Law does not hurt. Therefore, we leave it to the courts to ask accounts."

Evren pointed out that the first goal of terrorism and banditry was to frighten the citizens, to cow them into saying, "I didn't see" and turn the citizen off on this regime. "Then the citizen would get to the point of saying, 'It doesn't matter what happens to the damned Republic as long as I can go out and go about my business.' That is their goal," he said.

The head of state also mentioned taxes, saying, "We will absolutely ensure fair taxation. More taxes will be taken from those who earn more and less from those who earn less."

Smiling at a person who shouted, "We ought not to have these four parties" during his speech, General Evren said, "We are not in favor of a one-party dictatorship." Evren said that they were not against the poor and the workers and added that "no workers' rights will be lost."

Evren then paid a brief visit to Diyarbakir Governor Erdogan Sahinoglu and returned with his entourage to Ankara.

8349
CSO: 4907

LEGAL SYSTEM SCORED AS SOURCE OF ANARCHY

Istanbul HURRIYET in Turkish 9 Oct 80 p 14

[Text] "The 13th Turkish Accounting Congress," organized jointly by the Accounting Institute of the Faculty of Management and the Turkish Accounting Specialists Society, begun in Istanbul yesterday.

The congress, which is taking place at the Hilton Hotel, is being attended by about 300 local and foreign delegates and will last 3 days. Professor Dr Mustafa A. Aysan, who is the chairman of the congress, stated in his opening speech that the congress is taking place at a time when intensive efforts are being made with a view to establish political, social and economic stability in the country. Professor Aysan said: "We have received the good news of initial successes in the elimination of anarchy in our country. However, the root of this anarchy lies in a social order, that was created by loopholes in our auditing system, thereby punishing honest and decent people as well as those of good will, while rewarding smugglers, swindlers and people of ill-will. Despite the stabilization measures taken since the beginning of this year, the annual rate of inflation has reached 120 percent. Since the beginning of this year the price increases for KIT [State Economic Enterprises] products range between 45 and 400 percent. In March 1980 the number of taxable individuals under the Income Tax (Act) was just over 6 million. Out of this figure only 1.5 million file annual returns. The remaining 4.5 million are producers (and manufacturers) who are obligated to submit statements of account. Our income tax (system) has become a terrible torture machine forcing the taxpayer to pay the state two liras out of every three he earns, and as if this is not sufficient, it obtains 70 percent of the revenue derived from this source from the poor wage earners. On the stock market paper shares belonging to paper companies are being traded. It is impossible to find a single satisfied investor out of an estimated several million small investors, who have purchased shares in a market that has grown rapidly in recent years. These investors not only gave up the dividends they were hoping for at the time of investment but also lost a considerable part of their capital funds."

Professor Aysan further said that even the number of corporations preparing proper financial reports is about 100, whereas there are 10,300 corporations in our country. Pointing out that the rate of inflation in Turkey has been continuously increasing in recent years, Professor Aysan noted that necessary efforts to implement a sound economic policy are continuing. Professor Aysan concluded: "During our 13th congress we will reexamine the measures we proposed to the authorities during the accounting congresses held since 1957."

TURKES ARRESTED FOR INCITING CIVIL STRIFE

Istanbul CUMHURİYET in Turkish 12 Oct 80 p 5

[Text] Ankara--CUMHURİYET Bureau--The leader of the MHP [National Action Party--NAP], Alpaslan Turkes, former parliamentarians and some officials belonging to this party have been taken into custody by the No 1 Military Court of the Ankara Martial Law Command on the ground of "arming people against each other and directing them into mass killings."

It has been reported that the information obtained during the preliminary investigations, carried out by the Ankara Martial Law Prosecutor's Office, have been evaluated and as a result of this evaluation authorities obtained strong indications that the accused persons had armed people against each other and directed them into mass killings. Following this, the No 1 Military Court of the Ankara Martial Law Command has ordered the arrest of the MAP leader, Alpaslan Turkes, and his 28 (27) colleagues. The names of former parliamentarians arrested with Turkes are:

Alpaslan Turkes (Adana, chairman); Necati Gultekin (Ankara, secretary general); Mehmet Irmak (Corum); Mehmet Tahir Sasmaz (Elazig); Nevzat Kosoglu (Erzurum); Cengiz Gokcek (Gaziantep); Turan Kocal (Istanbul); Mehmet Yusuf Ozbas (Kahramanmaraş); Mehmet Dogan (Kayseri); Agah Oktay Guner (Konya); Ihsan Kabadayi (Konya); Sadi Somuncuoglu (Nigde); Ali Gurguz (Sivas); Faruk Demirtola (Tokat); Omer Cakiroglu (Trabzon); Ali Fuat Eyupoglu (Yozgat); Servet Bora (Yozgat-senator).

The names of NAP officials, who are not parliamentarians, arrested by the Military Court are:

Avni Carsancakli (member of General Administrative Council, trade unionist); Tahsin Unal (member of General Administrative Council, retired colonel); Lutfu Ulkumen (member of General Administrative Council, member of Ataturk University Teaching Staff; Ahmet Er (member of General Administrative Council, one of the 14 dissident officers during the 27 May 1960 coup); Osman Albayrak; Sait Bilgic; Sait Ahmet Aybars; Selim Debre; Suleyman Surmen; Ahmet Karaca (former AA--Anatolia Agency--chief of information bureau), and Erdem Senocak.

It has been reported that the Martial Law Military Court also ordered the arrest of 36 other NAP officials in their absence.

Article 149 of TCK (Turkish Penal Code)

The article 149 of (Turkish Penal Code), which led to the arrest of Turkes and his 28 [27--ed] colleagues, contains the following provisions:

"Everyone who incites people to revolt against the government through use of arms, narcotics or asphyxiating or burning gases or explosive substances and incites the inhabitants of Turkey to bloodshed by arming them against each other shall be sentenced to imprisonment, for not less than 20 years, with hard labor.

If as a result of this incitement a revolt and bloodshed have taken place persons causing them or those commanding the rebels shall be sentenced to death.

Persons who only have taken part in these crimes shall be sentenced to imprisonment, for not less than 6 years, with hard labor.

Even if the arms or other substances, mentioned in section one, were stored in one place only the revolt shall be considered an armed one."

9558

CSO: 4907

SIRMEN EXAMINES UPSURGE IN ARMENIAN VIOLENCE

Istanbul CUMHURIYET in Turkish 16 Oct 80 p 3

[Article by Ali Sirmen: "Offense and Defense"]

[Text] The latest incidents in two U.S. cities are not the first time that the raving, secret fanatic Armenian organizations have launched actions against Turkey and Turks and it seems that it will not be the last.

However, it is especially the attack on the Turkish mission, across the street from the UN building, in New York that has had ramifications beyond those which have occurred before in many nations. And it may reach even larger dimensions.

We have all come to know and understand that the fanatic Armenian organizations, in their anti-Turkish activities in many nations, rely on an astounding support or toleration of such dimensions as to make the administrations in those nations, or the states themselves, look small.

The nation which provides support to the Armenian organizations is the Greek Cypriot administration which still has not got itself completely out of Greece's wake. The fact that two of three important Middle Eastern headquarters of the fanatic Armenian organizations are in the Greek Cypriot sector of Nicosia and Athens makes this apparent. Articles and pictures in the Greek press are proof also that the identities of the maniacs directing these activities in Athens are common knowledge. Moreover, it was no coincidence that the Greek government stood by and watched while these organizations opened extremely provocative exhibits in the Greek capital, exhibiting photographs of the Turkish diplomats murdered here.

In any case, seeing that the desires of the Armenian organizations to divide Turkey and establish an Armenian nation on this territory -- a desire not shared by all militants -- is a dream and that these organizations are not even clear and consistent as to what they want from Turkey and the Turks, it is clear that their actions serve the Greek cause more than their own.

Unfortunately, the Demirel administration pretended not to see these facts when Attache Ozmen was murdered in Athens and failed to act with sufficient firmness and severity toward Athens.

At the head of the nations which largely condone Armenian attacks on Turks is France.

There is nothing anyone can say about Paris' anti-Turkish policy. The French are friends with the Turks when they choose and enemies when they choose. France is a state whose friendship or enmity has the ability to influence significantly the foreign relations of other nations neither economically nor politically and militarily. From this standpoint one need not expect Turkey to pay much attention to France's friendship or enmity.

However, France's allowing erection of an anti-Turkish memorial on behalf of the Armenians on its own soil and its calculating tolerance of organized militants based in this nation are getting to the point that would damage a state's own honor and self-respect and also conflict with the obligations rising from international agreements to which Paris is signatory.

What would Paris think if there were exhibits in Turkey about how the French, who have stood by while the Armenians opened exhibits in various corners of the nation and even erected a monument, engaged in treacherous, cruel and inhuman torture and committed crimes to combat the desires for independence of the Algerians, whom they had exploited unmercifully for years, not so long -- 25 years --ago?

Another nation whose policy toward the Armenian organizations is reminiscent of Paris' is the United States. The United States, where as early as 1927 organized demonstrations by Armenians were sufficiently strong to force the first ambassador of the Republic to leave New York secretly by boat, has been extremely tolerant of recent Armenian actions.

This tolerance, however, has backfired. The latest bombing at Turkey's diplomatic mission prompted a renewal of Soviet protests to the effect that the United States is too lax about actions against the missions of UN member nations and hampers the work of the United Nations by failing to issue visas for entry to New York on occasion, and Moscow has renewed its demand that the organization be moved out of New York as soon as possible.

Unless the American authorities immediately put into effect a consistent policy vis-a-vis the Armenian organizations, arrest the criminals and ensure their arraignment before justice, Turkey will have to join Moscow's protests and support its demands for the immediate removal of the organization from New York.

As for the question of what good such an act would do: Such an act would be a categorical statement of Turkey's determination to protect its own citizens and representations.

Even if the first step of such a decisive policy were to remain at the diplomatic stage, it would give terrorist organizations a better appreciation of the proportions which later steps could take.

MILITARY PROSECUTOR PUSHES FOR ERBAKAN ARREST

Istanbul CUMHURIYET in Turkish 13 Oct 80 pp 1, 7

[Text] Ankara--CUMHURIYET Bureau--Following last Sunday's decision by the No 1 Military Court of the Ankara Martial Law Command rejecting the request for the arrest, the MSP [National Salvation Party--NSP] leader, Prof Necmettin Erbakan, and six NSP officials were released at 0015 yesterday. The Military Prosecutor is expected to appeal to the No 2 Military Court today against this decision and to insist on its request for the arrest of Erbakan and his colleagues. The names of the NSP officials released with Erbakan are as follows:

Oguzhan Asilturk, NSP Secretary General, former deputy from Ankara; Sevkettin Kazan, assistant NSP leader; Ahmet Remzi Hatip, former deputy from Konya; Ali Cumeri, (NSP) Konya district chairman; Fehim Adak, assistant NSP leader, former deputy from Mardin; Sener Battal, former deputy from Konya.

The Military Prosecutor had also asked for the arrest of the NSP General Administrative Council members, who are not under custody, but the court had rejected this request as well. The names of those NSP members, for whom the court refused to issue an arrest order, are:

Suleyman Arif Emre; Fehmi Cumalioglu; Recai Kutan; Abdurrahim Bezci; Mazhar Gorgen; Lutfi Dogan; Korkut Ocal; Ali Oguz; Yasin Hatipoglu; Abdullah Tomba; Kadir Misiroglu; Mustafa Yazgan; Ali Riza Ozturk; Mehmet Okul and the chairman of the NSP Youth Branch, Ahmet Oguz. Mustafa Yazgan had, some time ago, resigned from the NSP General Administrative Council and the party and begun working as an employee at the Press and Publications Directorate General. The request for the arrest of Mustafa Yazgan has also been rejected.

Arrested

An arrest order has been issued for four NSP officials. Their names are:

Tahir Buyukkorukcu (Konya); Huseyin Erdal (Yozgat); Temel Karamollaoglu (Sivas); and Yasar Gocmen (Diyarbakir).

The court ordered the arrest of the former deputy from Diyarbakir, Yasar Gocmen, in his absence for not giving himself up to the authorities.

The former deputy from Kenya, Tahir Buyukkorukcu, has been arrested on the ground of using expressions contrary to the article 163 of TCK (Turkish Penal Code) during a speech he made in Burdur; the former deputy from Sivas, Temel Karamollaoglu, and the former deputy from Diyarbakir, Yasar Gocmen, on the ground of acting against the article 163 of TCK (Turkish Penal Code) during speeches they delivered in different places; and the former deputy from Yozgat, Huseyin Erdal, on the ground of being in possession of a firearm without a license while traveling to Patna.

Thirty-Six Persons Still Inside

A total of 36 detainees remained at the observation post (gozetimevi) which has been turned into a military detention camp by erecting wire fences around it. Twenty-nine of the detainees are members of MHP (National Action Party-NAP); three of them are members of RPP (Celal Paydas, Selahattin Oral and Erol Saracoglu); three of them are members of NSP (Tahir Buyukkorukcu, Temel Karamollaoglu and Huseyin Erdal); and the former Life Senator and President of the Peoples' Houses Organization, Ahmet Yildiz.

Situation of NAP Members

The leader of NAP, Alpaslan Turkes, 28 former NAP parliamentarians and 11 non-parliamentarian NAP officials, who were arrested by the No 1 Military Court of the Ankara Martial Law Command the day before yesterday, have the right to appeal to the No 2 Military Court within 7 days. The ruling of this court regarding the arrest order will be final. After this stage the military prosecutor will prepare his statement (of charges).

9558

CSO: 4907

ERBAKAN PLACED UNDER FORMAL ARREST

Istanbul CUMHURİYET in Turkish 16 Oct 80 pp 1,7

[Text] Ankara (CUMHURİYET BUREAU) -- The Ankara Martial Law Command Military Court II issued summonses for NSP (National Salvation Party) General Chairman Professor Necmettin Erbakan and 21 of his colleagues under protest by the Ankara Martial Law Command Military Prosecutor's Office. Erbakan, Sener Battal and Ahmet Remzi Hatip were summoned before the Military Court yesterday and placed under arrest.

The arrest warrants for Erbakan and his colleagues were rejected by the Ankara Martial Law Command Military Court I, whereupon the Military Prosecutor's Office protested to Ankara Martial Law Command Military Court II, the nearest court. Military Court II examined the protest and issued summonses for Erbakan and 21 of his colleagues on charges of interfering in the freedom of conscience and assembly and conducting propaganda to establish and direct an association in violation of article 163-1 of the Turkish Penal Code and to construe the basic tenets of the state to fit religious principles and beliefs in violation of secularism. Summonses were issued by Military Court II for the following NSP members:

"General Chairman Necmettin Erbakan; General Executive Board members Sevkettin Kazan, Oguzhan Asilturk, Ali Guneri, Fehim Adak, Ahmet Remzi Hatip, Suleyman Arif Emre, Fehmi Cumalioglu, Recai Kutan, Abdurrahim Bezci, Mazhar Gurcan Bayatli, Lutfu Dogan, Korkut Ozal, Ali Oguz, Yasin Hatipoglu, Abdullah Tomba, Kadir Misirlioglu, Mustafa Yazgan, Ali Riza Ozturk, Mehmet Okul; NSP National Assembly Group Executive Board Secretary Sener Battal and Youth Chapter President Ahmet Oguz."

The Konya Martial Law Command also issued summonses for Necmettin Erbakan, Sener Battal, Tahir Buyukkorukcu, Ahmet Remzi Hatip and Ahmet Oguz on account of the rally to save Jerusalem organized in Konya. The Ankara Martial Law Command then took Erbakan, Sener Battal and Ahmet Remzi Hatip into custody at around 0030 yesterday morning. Erbakan, Ahmet Remzi Hatip and Sener Battal were brought to the Ankara Martial Law Command Military Prosecutor's Office at 1400 yesterday. They were sent to the Ankara Martial Law Command Military Court in order to appear before the court at around 1500.

Erbakan and his two colleagues were then formally arrested. Former NSP General Secretary and General Executive Board member Oguzhan Asilturk, Lutfu Dogan, Recai Kutan and Suleyman Arif Emre came to the Central Command last night and surrendered themselves upon the summons of the Ankara Martial Law Command Military Court II.

Former NSP Konya National Deputy Tahir Buyukkorucu was also arrested and jailed yesterday by decision of the Konya Martial Law Court.

Meanwhile, it was learned that Korkut Ozal, brother of Minister of State and Deputy Prime Minister Turgut Ozal, was also summoned to appear but is in critical condition as the result of a traffic accident.

8349

CSO: 4907

ZEYYAT BAYKARA INTERVIEW, PROFILE

Ankara YANKI in Turkish 13-19 Oct 80 pp 6,7

[Interview with Deputy Prime Minister Zeyyat Baykara by YANKI magazine]

[Text] Deputy Prime Minister Zeyyat Baykara answers YANKI's questions:

Question: Certain matters having to do with the preparations and activities of the government are being picked up by the press. It is not easy to discern how true they are. For instance, it is being said that Saturdays will no longer be a full day off but will be a half-workday as it used to be. Is this true?

Answer: I do not know where this report came from. I have heard nothing about any such effort.

Question: Do you feel yourself responsible only to the National Security Council [NSC] as a government, or to both the NSC and the public, the people?

Answer: Governments in democratic nations feel themselves responsible to the parliament as well as to the people. Nothing has changed in this. Of course, we feel ourselves responsible both to the NSC, which is in the position of legislative and government oversight body, and to the public.

Question: Then is it not necessary that you give more importance to your relations with the press, since it is your only means of communicating with the public?

Answer: I will answer this question in my own opinion, as I have with the other questions. We are trying to do this, but I personally feel that our relations with the press should be closer. We could still have closer relations with the press, though perhaps not so much as purely elected governments.

Question: What are the basic duties which the government absolutely must carry out?

Answer: Our duty is to resolve fully the matters which seem wrong and lacking today, in which the need for change is clearly felt to get us in the clear, to bring us together and ensure unity. This includes all matters of social, political, economic and public order content. When these things are resolved, our job will be finished.

Question: Could you set a time to this, more or less?

Answer: It would be misleading to say anything definite. I think it would be a big mistake to set a time without knowing definitely how long it will take to do the things that have to be done.

Question: It looks as though the struggle with terrorism is being left primarily to the military, seeing that the police force has been put completely under gendarmerie control. Is it primarily the military that will resolve terrorism?

Answer: I do not think there is anything in the government structure to say "to transfer duty elsewhere." Martial law requires the best, most rational use of the security forces.

Question: Where are the draft laws on the matters mentioned in the government program being prepared? In the NSC or the ministries?

Answer: The principle that laws may be proposed by the legislative and executive organs is being applied. Almost all of the measures contained in the program have been taken up by the ministries.

From the Cover: Deputy Prime Minister Zeyyat Baykara

When Fahri Koruturk's presidency expired, there was one person who demurred at going the rounds of the cloakrooms in parliament when a new presidential candidate was being sought. Zeyyat Baykara did not know how to act when his name was thrown in the ring without his consent; he chose to absent himself to prevent further rumors, because Baykara was a person who had always considered himself a servant of the state — a technician. And now he had felt was no different from various cabinet stints he had served before. If it was a "state job," he had taken it on, but he had never once applied for the job.

Zeyyat Baykara was born in Kemaliye in 1918. His father died when he was 3 years old and he went to Giresun with his mother to live with an older brother, who was the only member of the family earning any money. He attended primary and middle school there. When the brother was transferred to Istanbul in 1931, Baykara went with him. He finished the Istanbul Men's Lycee in 1935 and entered the School of Political Science, which moved to Ankara in his second year. He passed the state examination which he took after finishing the School of Political Science in 1938 and went to Berlin to get a doctorate in economics. He was called back, however, when war broke out and returned early in 1940. He served until 1943 as a reserve officer at the border region, at Kesan and later at Second Army Headquarters in Balikesir. He was at the inspectorate until 1952, with a year out for training in Switzerland. When the issue of budget reform arose at the Finance Ministry in 1952, Baykara and his colleague Huseit Calik, who now works at the World Bank, were brought to the job. He set up the system replacing the primitive budget system which had been used until that time. He then stayed on at the ministry. If he had stayed at the inspectorate for 2 more years, he would have received the title of "Honorary Inspector," a loss he has always regretted.

Zeyyat Baykara, who was director general of revenues in 1955, says he is honored to be the person who set up the tax system which is in effect today. When the laws which were changed after the 1960 revolution opened up the job of chief of financial, economic and commercial attaches at the embassy in Bonn, Zeyyat Baykara was appointed to fill it. He stayed there until mid-1964. Those were the years when the consortium to aid Turkey was formed, with the United States and Germany playing the major role. His success was to be reason for Baykara to return once more to this job later. When he returned to the ministry in 1964, he served as Treasury director general and undersecretary for international economic cooperation, and 3 years later, returned to Bonn.

When Erim became prime minister after the 12 March military intervention, he brought the technician, with his vast domestic and foreign experience in economic and financial matters, into this state mechanism as minister of state and gave him the job of coordinating all economic-related matters. Zeyyat Baykara says that he used to work all night at his demanding, but important, duties in those days and that he was very "happy."

Baykara was not in the Naim Talu government, but as counselor at the Office of the Prime Minister, continued in this job until June 1974 with Ecevit. So he did work with Talu. When he was chosen quota senator later by Korumurk, he entered parliament for the first time. Until that day, he had never given the slightest thought to entering political life and going to parliament. He had preferred working in the state, not a political party.

During the government crisis of 1975, when Sadi Irmak formed a government which he thought could get a vote of confidence, Zeyyat Baykara had the much-deserved position of deputy prime minister in this government made up primarily of technicians. His responsibilities were the same as they are today. However, when the vote of confidence failed, he returned to his seat in the Senate. When everyone thought it would be impossible to hold secure elections in the politically tense days prior to the 1977 elections, Baykara was appointed to the Justice Ministry as an independent minister. He established good relations with the high judiciary as well as the political parties in this job and was largely responsible for ensuring a free election about which they could not complain. This success was both widely acclaimed in the press and assured Baykara a firm position in Turkish political life, and he was seriously considered in every search for an impartial prime minister. It was under these circumstances that his candidacy for the presidency came about, but it remained just that because Demirel had a different idea. Or else it was thought that Ecevit would not object to the candidacy of this technician who had essentially been called to duty by Demirel and had retained good relations with Demirel ever since the days when he was director general of revenues at the Finance Ministry.

Zeyyat Baykara's was the first name to come to mind as a civilian prime minister after 12 September, but as Bulent Ulusu had both the open, easy-going personality to establish dialog with the political parties and the extremely close friendship with the NSC members to make him the necessary choice for prime minister, Baykara came into the government as his right hand.

Dignified, assiduous, judicious, Zeyyat Baykara is a person whose experience and knowledgeability it will always be well to have at the highest level.

ANNOUNCEMENT OF UNION CARETAKER APPOINTMENTS

Istanbul MILLIYET in Turkish 24 Oct 80 p 10

[Announcement of promulgation of law no 2316, 10 October 1980, on appointment of union caretakers]

[Text] The Press and Public Relations Branch of the 1st Army and Martial Law Command for Istanbul, Canakkale, Edirne, Kizilirmak and Tekirdag Provinces has made an announcement about the appointment of caretakers for the unions, federations and confederations whose activities have been suspended.

The verbatim statement follows:

"Implementation in the 1st Army and Martial Law Zone comprising Istanbul, Edirne, Kizilirmak, Tekirdag and Canakkale provinces of law no 2316, dated 10 October 1980, which envisages the appointment of caretakers to put in order the activities other than union-related procedures of the unions, federations and confederations whose activities were halted as of 12 September 1980 by National Security Council communique no 7, is placed in force according to the following principles:

"1. Requests to appoint caretakers for the purpose of administering the property, protecting the interests and making contractual and legal payments from blocked monies in accordance with the law and the bylaws of the unions, federations and confederations, on condition that no mention be made of union-related activities, are to be presented in writing to the command by the officers or legal officers. The application will state whether the caretaker to be appointed is desired to be one person or three persons and the address of the organization's headquarters is to be written, and a line will be added to the application giving the types and addresses of real estate and bank account numbers.

"2. When the caretaker appointment application comes to the command, it will be forwarded for necessary action to the labor court in which the corporation headquarters are located in the form in which the request is shown in law no 2316, article 1, together with the names of the caretakers to be appointed.

"3. The caretaker or caretakers appointed will perform their duties under the supervision and instruction of the Martial Law Command within the framework of the relevant laws.

"4. The duty of the caretaker will end when activities by the professional organization to which he has been appointed are permitted."

THOSE CHARGED WITH IMPROPRIETIES TO FACE JUDGE

Istanbul HURRIYET in Turkish 15 Oct 80 pp 1,15

[Article by Ulku Arman]

[Text] Ankara (HURRIYET) -- It has been 1 month and 2 days since the Turkish Armed Forces took over administration of the nation.

The address which General Evren made on the first day and his press conference later made clear the goals of the action, but as time passes certain questions have begun to arise:

--When will the interim constitution come out?

--When will the constituent assembly be formed?

--Will the constituent assembly have party representatives?

--Is the 1961 Constitution in force?

--Will the leaders be barred from politics for long?

These questions could go on and on.

Now, based on the information coming from the mouths of the authorities, let us take a look at the answers to these questions and the atmosphere in the capital.

The first question on everyone's mind:

"Is there a schedule for the interim constitution, the constituent assembly, permitting political activities and, finally, elections?"

The answer, in short:

"No, not at all."

The military have a plan of operations called "D-Day Completion." The initial plan of operations designates what will be what on each day subsequent to "D-Day." These plans in military operations are prepared meticulously by the staffs, taking every possibility into account, but it is a little hard to plan social events. For this reason, there is no "D-Day Completion" for when the interim constitution will go into effect, when the constituent assembly will be formed and subsequent events.

Only this is being said:

"We are in power temporarily. Our goal is the transition to a democratic regime. However, the need for the democratic regime to which we will accede to conform to our social structure made itself irrefutably clear in the period we have just experienced. Therefore, we are forced to make the necessary preparations for a democratic regime befitting our social structure. These preparations will be made neither in haste nor with dragging feet."

And it is immediately added:

"The [National Security] Council [NSC] is making sufficient use of the experience of 27 May and 12 March."

Let us go on to the answers to other questions on people's minds:

--Work on the interim constitution is now in progress.

--The 1961 Constitution is not considered defunct in its entirety. Despite all the abuse in this period of the superiority of the constitution and legal principles, it is and will continue to be in effect.

--Since the NSC is fulfilling the task of the legislative body, the delay of the constituent assembly will cause no hitch. Laws will continue to be passed.

--As yet there is no view on the presence of party representatives in the constituent assembly.

--Limiting political life to two parties is not under consideration in the changes to be made in the political parties and electoral laws. There will be measures to eliminate the coalition problems which have plagued Turkey for approximately 10 years.

Another question on people's minds in the capital has to do with "whether arrests will continue" and "whether the leaders will be barred from politics for long."

The rumor that "arrests will accelerate" is false. The atmosphere after 12 September was of being taken under "temporary protective custody," not "arrest" anyway. As the former parliamentarians are considered plain citizens at the moment, subsequent developments will take the normal course of the law. That is, if a parliamentarian has committed a crime, he will be prosecuted under the law; if the law stipulates that he be arrested, he will be arrested. If not, he will not be arrested. But old cases will definitely be prosecuted.

The same goes for claims of improprieties from past administrations. The investigation files found at the Assembly were sent to the Ankara Prosecutor's Office. Those charged with improprieties will face trial and be charged or cleared.

As for the status of the leaders...

Here is what is being said on this subject:

"The significant factors in our having reached the present point will be taken into account."

The political climate prior to 12 September was so rent with conflict and enmity that we had got to the point of considering it "political peace" when the two leaders (usually at funerals) shook hands and said, "How are you?" It is being said, "We ascribe great importance to political peace. This is why we banned political activities, to keep political peace."

Then will it be considered "political peace" if the two leaders make up?

In answer to this question, we are reminded of the thousands of citizens kept waiting in the lounges of the Assembly when they were trying to get their members of parliament to do something and it is being said:

"Citizens would go to their members of parliament to have the most routine of matters attended to. This matter was spoken of also in the Turkish Armed Forces' warning letter. Nonpartisan citizens could get nothing done. Partisanship had got to the point where party domination was the rule in administration of the state. The citizens had even divided up the coffee houses and the mosques. It was under this polarization that we came to 12 September. Therefore, it does no good for the two leaders to make up."

Question: In Turkey's transition to a democratic regime and in the preparation of a new constitution, one wonders: Will the experience and opinions of the politicians be called upon?

This question is answered by saying, "When you say 'politicians,' it includes everybody," and it is immediately added:

"We will make use of all the ideas we can get."

Another view of the present administration holds that "It is easy to destroy, but hard to build." For this reason, the view predominates that it would do no good to indict certain of the judiciary institutions which were criticized in the previous period. "Certainly revisions will be made, but these high judiciary institutions must not be destroyed," it is said.

The 12 September administration is firmly resolved to overcome terrorism.

Meanwhile, there is also the decision "to get out of the economic straits within the rules of the market economy." It is said: "We did not make the recent price hikes willingly, but present conditions require them."

Meanwhile, the administration is especially plagued by the furor over severance pay. Obviously, one reason for this anxiety is the irresponsible speeches from the labor and employment sectors. On this subject, it is said:

"The administration is favoring neither the worker nor capital. Turkey will have an equitable system to ensure labor peace without favoritism in a just and impartial fashion."

A major topic lately has been the work in progress on revising the tax law and the following information is given on that:

"The principles of the tax bill have been decided upon within the government. However, we know that the state easily applies the possibility of collecting taxes. We are aware that it is the civil servants and agents who are hard-pressed by this."

A view which the NSC adopted from day one is this:

"We are open to every criticism."

This view is also reiterated today. And this administration says something that no emergency administration in any nation of the world can say:

"We cannot tell the press: 'Don't publish that report, cancel this report.' We, as the Council, do not have the right to do this. The Martial Law Act gives this power to the martial law commanders, but they use these powers with great discretion. The rumor mills will not stop. We know this. But when we publish accurate news, we believe this will negate the effects of the rumor mills."

This, then, is the atmosphere in the capital.

To put it in perspective, let us repeat something said by a prominent politician in conversation with his friends a day or two ago:

"We politicians had an alternative. When we failed, the army was the alternative. But the army has no alternative. Their success, therefore, is a must. Their success will determine the fate of the nation."

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CSO: 4907

'TERCUMAN' GIVES COUP HISTORICAL PERSPECTIVE

Istanbul TERCUMAN in Turkish 16 Oct 80 pp 1,12

[Article by Nazlı Ilıcak: "12 September's Place"]

[Text] We heard General Evren address the public first in Van, then in Diyarbakir two days ago. This was no ordinary speech. Rather than a political speech, it was more like a hodja lecturing his students.

In trying to explain to the people the justification of the action, General Evren also touched on the status of the political parties prior to 12 September. At that moment, some person -- no doubt carried away by the excitement -- shouted, "We ought not to have these four parties, General."

From what I could see on the TV, General Evren smiled when he heard this and said, "We will ask the people about that when the time comes." But he went on immediately: "One party is bad, too; it leads to dictatorship."

Indeed, my General, one party is bad and, as you implied, the Turkish nation has often suffered under despotic rulers. Informers, everyone suspicious of each other, newspapers worthless because of censorship... During the time of Abdul Hamid, use of the word "Murad" was forbidden because Sultan Murad was in prison, so it was written as "mirat [mirror]." The sultan was ridiculed because his nose was so big and long, so "nose" was never spoken and was called "projection" instead.

The citizen who shouted, "We ought not to have four parties," in Diyarbakir was under an illusion stemming from historical ignorance. If we can look at the people around us today without suspicion, if we can still find the courage to express our thoughts openly, we owe this to the remnants of democracy left after the storm, that is, we owe it to the political parties we so dislike.

Democracy -- though battered by abuse and conflict -- goes to the very quick of the nation and fills its lungs with the air of freedom.

"Ask the citizen when the time comes," my General. You know the answer. Millions of people voted for these four parties in the October 1979 elections. The citizen may be disappointed in his party, his leader, his national deputy, but don't give up on him so easily. Listen to the "silent majority," my General, not the voice of the muddled individual in Diyarbakir.

12 September and Others

12 September is not repeating the mistakes of 27 May. It is not appearing as the parallel of one political party and condemning the other. It is not going back on the normal courts and setting up emergency courts. It is not seeking its own legitimacy in the condemnation of others. This is because the rationale of 12 September is right; 12 September is the day on which the people, fed up with terrorism, moved in self defense.

The goal is to prevent the further abuse of democracy, to shut the gates so as not to allow exploitation. This takes time. "It may be harmful to leave too soon," General Evren says. He is right, but 27 May failed, not because it was brief, but because it took sides and adopted a constitution and an electoral law which did not suit the structure of the country. On the contrary, the danger that would come with failing to extend the duration a little more is obvious in the development shown over the past 20 years by the National Unity Group. (The two former National Unity members who were taken into custody by the new administration are at opposite ends of the political spectrum today.) If the two operations, 27 May and 12 March, which were, in Evren's words, unsuccessful, are compared, the shorter one (12 March) was more successful. 12 March resolved anarchy, somewhat strengthened the executive, but because the coalition administrations had not yet started at that time, did not sense the need to change the electoral law. The large part of the problem stems from the electoral law.

This means the problem is not length or brevity, but to retain the balanced forbearance of the first day and keep the good graces of the public. Looking at 12 September from these two points, it is very different from 27 May; and these matters will form the foundation of the success which we desire and hope for.

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'VISA WAR' PRESSES ON

Benelux Countries to Start Visas

Istanbul **MILLIYET** in Turkish 17 Oct 80 p 8

[Article by M. Ali Birand]

[Text] Strasbourg -- Even as Turkish Foreign Minister Iltis Turkmen was issuing a stern warning about visas to 20 foreign ministers and demanding that the implementation be halted immediately, the Dutch and Luxembourg foreign ministers, who had attended that meeting, revealed to **MILLIYET** that the Benelux nations will follow Germany, France and Switzerland in applying visas for Turkish citizens as of 1 December. The Belgian foreign minister confirmed this also.

Dutch Foreign Minister van der Klaauw said in a statement to **MILLIYET**: "The visa is unavoidable. The decision in this regard will be announced after discussions with the Turkish delegation in Brussels on 20 October." Another Dutch Foreign Ministry official also pointed out that it had been decided to begin the visa requirement on 1 December.

Luxembourg Foreign Minister Gaston Thorn also told **MILLIYET**: "Turkey is reacting strongly, but this is an unavoidable decision."

Belgian Foreign Minister Nothomb gave the following answer, verbatim, when we asked him the same question: "Let me repeat what I said at the meeting. The problems which Germany and France encountered are equally valid for us. The Benelux countries have discussed it among ourselves. Now we are waiting for the Turkish delegation. We will sit down at the table in order not to take a unilateral decision without discussion. After discussions with the Turkish delegation are completed, we will meet among ourselves again and decide when the visa implementation will begin, how long it will last and to whom and in what form it will apply. This decision may be made next week."

Iltis Turkmen, meanwhile, being unaware of the Benelux countries' decision in this regard, noted the disappointment created by the visa implementation among the Turkish public and that this decision had cast Turkey's relations with West European nations in shadow and had created discrimination against Turkey. He then appealed to Germany, France and Switzerland saying, "You must lift the visa requirement at once."

The German minister of state for foreign affairs, who spoke after Turkmen, said that the visa had been implemented only to stop "false political asylum" activities and was temporary and that he hoped it would be lifted soon with Turkey's support for the decisions taken.

Speaking on the same topic, the French minister of state for foreign affairs said that "this decision must not cast Turkish-French friendship into shadow" and pointed out that it had been taken for economic reasons.

Belgian Foreign Minister Nothomb said in his official statement that "a decision in this regard will be made soon and the Turkish delegation is awaited in this context."

The development at the official meeting as well as the Benelux decision to require a visa had, in the words of one Turkish diplomat, "the effect of a cold shower" on the Turkish delegation.

Developments in Turkey

At yesterday's meetings of the foreign ministers of Council of Europe members, the European Security and Cooperation Conference which is to meet soon in Madrid was discussed, but developments in Turkey which are being watched with greatest concern were also taken up.

Turkmen explained, as had Head of State Evren in his statements, why the military had been forced to intervene and said that the military administration was firmly resolved to turn over administration to civilians after getting democracy back on track, but did not give a definite "duration."

The European Parliament (the body made up of parliamentarians of EC nations) amended the decision it had made earlier in connection with developments in Turkey and postponed the debate on Turkey which was scheduled for November. The postponement was made as sufficient information could not be gathered by November, and the request that a delegation from the European Parliament be invited to Turkey in November also had a role in the decision. The Turkish government is being asked to invite the European Parliament side of the Turkish-EC joint parliamentary delegation, Chairman Fellermeier and two assistants. Preparation of a report to be used as a guide is expected upon the delegation's return.

The same problem was taken up in a half-hour discussion between Turkmen and EC European Commission Secretary General Emile Noel yesterday. The Turkish government expressed sensitivity toward requiring that the European Parliament delegation not turn into an "inquisition board."

Controversy Over Communique

Although no member nation replied to Turkmen's address and there were not even any questions, controversy broke out over the portion dealing with developments in Turkey of the communique to be released following the committee meeting.

The Swedish delegate, first contending that the communique was too mild, then said that Turkey must give a date for the return to democracy. "This institution is an institution of democracy," he said.

The Swedish minister opposed capital punishment in Turkey and demanded that it stop. Defending the release of politicians now in prison in Turkey, the Swedish minister proposed changes in the communique to make it more severe. When Turkmen was again given the floor on the Swedish proposal, the Turkish foreign minister said, "We would ask Sweden not to insist on this. The communique should remain as it is. Otherwise, there will be difficulties in the release of the communique," implying that Turkey would invoke its veto right.

Sweden insisted and the chair called for the views of other ministers. Germany, Britain, the Benelux countries, Switzerland, Austria and the Netherlands voted for release of the communique in the form desired by Turkey.

Greece joined the nations favoring harsher terms in the communique as Sweden desired. The Greek delegate Rendis maintained that although they understood Turkey's difficulties, it was necessary that the communique be released in the form desired by Sweden in order that the council might be of help to the Turkish people and said, "We know. We have been through the same thing."

Other nations supporting Sweden in addition to Greece were Portugal, the Greek Cypriot side and Norway. Turkmen again took the floor, asking that Sweden withdraw its proposal, and the communique was adopted in the form acceptable to Turkey.

The part of the communique concerning Turkey reads as follows:

"Turkish Foreign Minister Turkmen affirmed the determination of his government to return to democracy as soon as possible and to remain committed to human rights, the law and the fundamental freedoms during this period of transition. Turkmen reaffirmed the importance which his government gives to maintaining cooperation with the Council of Europe in all areas. The other ministers stressed the importance they place on the demonstration of respect for parliamentary democracy and the law and the inviolability of the fundamental freedoms."

Regulations Called Contrary to Agreements

Istanbul MILLIYET in Turkish 25 Oct 80 p 5

[Article by Assistant Professor Dr Tuncer Guvenc]

[Text] The visa requirement which West Germany decided to apply to Turkish citizens in October, while leading to reactions in our country, started a West European chain reaction against Turkey with France's announcement on the same date that it would follow West Germany. In fact, it looks as though Belgium and Luxembourg's joining the preparations made by the Netherlands will add Switzerland, Austria and then the Scandinavian countries to this chain reaction.

The documents and information requested for the visa are quite beyond what is needed for a simple visa procedure and when the demands go so far as to include copies of deeds, it immediately casts suspicion on the so-called purposes of these visas. It is necessary to find out what the true purpose is behind this shameful visa requirement. It is distressing that the Council of Europe, NATO and Common Market nations would place a visa requirement on Turkish citizens now that the Eastern nations have lifted theirs.

Hatred of Foreigners?

West Germany gives as its reason the fact that Turkish citizens, who come ostensibly as tourists, request the right of political asylum, taking advantage of facilities in the German constitution intended for East Germans. However, it then immediately points out the illegal worker problem, unable to hide the revival of hatred of foreigners as another reason. The Turkish workers who were needed by the German economy 15 years ago and were invited, praised and welcomed by the authorities for a better Germany are being haunted by belittling behavior and rationales to cover their status as undesirable aliens.

It is ridiculous for a nation to complain that the rights to work and to political asylum which its laws grant to foreigners are being exercised and to defend the need for a visa against another nation in violation of every agreement. It shows at best that their own laws were not written properly and should be revised. As for illegal labor, are these illegal workers employed by the Turkish missions and Turkish establishments in Germany or by German citizens and German establishments? If German citizens and businesses are employing illegal workers, the German laws should be duly brought to bear against these persons and, if necessary, these laws should be revised to prevent the employment of illegal workers. There is no question of finding illegal workers in nations where illegal workers cannot be hired. There is no rationale for a nation, which does not enforce or revise its laws, to trample the principle of "pacta sunt servanda" and use this for a pretext to enforce a visa requirement against a nation it calls a friend and ally.

Role of the Church

Requesting political asylum is, first of all, the method of getting a work permit taught to Christian Turks by the churches of the Western nations and their affiliated religious associations. In fact, many Western nations and especially members of certain churches and parallel organizations in Germany, the Netherlands and Sweden have shown this method to Christian Turks, getting them work permits and supplying every assistance, usually including monetary, having them falsify their names in order to do this. The result is that they find an opportunity for propaganda with this Crusader mentality. After listening to a reporter talk about the oppression of Christians in Turkey at an official dinner in a Western nation once, I asked him whether he had seen the places where these people lived or had visited their churches or whether anyone from his newspaper had been sent to do so. This newspaperman replied that this was not necessary. He said that he was "a member of a religious association" himself, that this association "helped foreign Christians" and that "the information obtained from the 'political refugees' in his town is enough." As the result of my acquaintance in Istanbul with a member of a family which had taken this route to find work, I learned how these people seek and find jobs thanks to this loathsome, false propaganda which is conducted in the spirit of a Crusade and that they get every sort of aid, including money, from the church.

Others of our citizens who try to use the right of political asylum to find work have the door slammed in their faces. Are they the only ones who should be accused of using this despicable method? Are not the people also guilty who have stood by for years watching this method being used for propaganda purposes and who have made possible this false propaganda against Turkey?

If there is a problem of illegal workers and false political asylum, it is easy to correct for the citizens of all nations by making minute changes in their own laws. Moreover, Turkey could take certain measures to eliminate the pretexts shown for their visa implementations for other purposes. However, there are clear indications that the illegal worker and political asylum problems are each just a pretext for requiring visas. The inclusion even of diplomats in the scope of the visa shows that this has nothing to do with illegal workers or political asylum. Do these nations who are our friends and allies to whom we are bound by agreements think that Turkish diplomats will come to find jobs as illegal workers or seek false political asylum and ask for material assistance?

And France?

It is impossible to understand France's visa requirement. The proportion of our citizens working legally or illegally in this nation is insignificant among the foreign workers and especially Muslim workers in France. The purpose of France's visa requirement is different in that there may be a question of the use of the right of political asylum. One can only see in this such childish reasons as the voting potential of the minority which they have incited against Turkey in the forthcoming elections, a latent German complex and acquiescence to the leaders and public opinion of a Turkish neighbor which has taken the front against us. This decision is just the latest example of French hostility toward Turkey in every area in recent years. This behavior has gone so far as the writing of false letters attributed to Turkish scientists by certain members of the French academy upon the recommendation of the Quai d'Orsay. The political and economic defeat which this nation suffered in succession in the Middle East and Islamic nations forced it to find a sphere of influence in Eastern Europe and led it to take every advantage of an opportunity which arose 6 years ago. By means of a criminal hearing, it fed the primitive instincts of a minority it had itself collected in the nation at the end of World War I, it protected and nourished all of its organizations and stood by while these organizations assassinated Turkish diplomats. France wanted people to believe that the organizations such as the Directorate of Territorial Surveillance and the Foreign Intelligence and Counterintelligence Service were unaware of and helpless in the murders committed by these organizations it had nourished for years. When it came out that its own secret services were involved in terrorist activities in other countries, this was attributed to personal behavior as in the Bologna train station incident. As for the failure to conduct proper inquiries in France into the murder of Turkish diplomats, this is just coincidental. Now, it is trying to realize the Karamanlis-d'Estaté European concept.

In the Name of Service

An ambassador's comments on the visa are true. "This visa business will be a shameful affair. No matter where you look, those who introduce a visa requirement ought to be ashamed."

The diplomatic missions are well aware of what some of the scientists who come to Turkey as tourists (no small number) are doing. Although they know what sort of legal conditions should be fulfilled for foreign scientists to conduct research (on land or sea) especially with regard to natural resources in Turkey, it is known that some of them come as tourists and work in Turkey without fulfilling any conditions and even leave the trunkfuls of samples they collect at the missions to be opened later in their own country. Even though they know all this, they can say that they are considering facilities for Turkish scientists in conjunction with the visa.

Turkey has provided in the past and still does provide extensive facilities in these matters, as in all matters, to the citizens of nations it knows as friends and allies. But the rationales and defenses offered for these shameful visas are not convincing anyone. In making this decision, could Germany not remember the concern and hospitality Turkey extended to German citizens of any religion fleeing Nazi Germany? There are certain facts of which the victims of this nazism who live in Turkey and Germany today and almost all of whom are Turkophiles could remind the German authorities.

Visa Chain No Coincidence

However, the emergence of this behavior at the end of September and early October 1980 and its looking like a chain reaction is no coincidence. For several years Turkey has been intensively occupied with its own internal problems, suffering social and economic crises for internal and external reasons. Certain Western nations and organizations have tried to stop our development and keep us in our place. The recent visa implementations are the beginning of procedures to keep Turkey sufficiently out of Western Europe. The reaction we show to these events will soon bear fruit in our relations with Western Europe. The visa implementations are being made on the basis of mutual agreement. Turkey has not reciprocated. It has not even sought to change a specific amount of money at the border gates or to charge a fee for tourist visas with the money changed. The visa implementations do not look mutual at the moment.

Visas are contrary to the Council of Europe statutes, the European Accords on Basic Human Rights and the agreement with the EC. Just as recourse may be made for the lifting of the visa requirement as contrary to the agreements in the legal bodies of these organizations, one may even go to the courts for the lifting of unilateral violations of agreements. It is even possible to take advantage of the superiority granted international agreements in the French constitution to file suit in the French courts or supreme court for citizens treated unfairly. The status of our citizens who are treated unfairly or as second-class humans at the entry gates and the reservations we have placed in the contracts make the legal procedures that people can take the duty of the Foreign Ministry. A study of French and German jurisprudence shows that the rights of our citizens who are mistreated at the border gates and of families that are separated may be defended.

Visa Problem from NATO Standpoint

It is clear that these practices violate the spirit and principles of the NATO treaty. This agreement, which is implicit outside the military area, may be used also. If NATO wants anything from us now, it will have to assure us that our friends and allies who are not acting in keeping with the spirit of the NATO agreement will put an end to this belittling behavior both now and in the future before these requests will be discussed. We should sit down to discuss what they want from us only after Turkey ceases to be treated as a second-class member of NATO. It must not be thought that they can always overtrump us.

The legal and political initiatives available to us in the unilateral implementation against Turkey of a visa for Turkish citizens in violation of the spirit and content of agreements should not be avoided, because when we fail to react in these ways, this sort of behavior will chain out behind Germany and France and will

be seen in other areas as well. The result may be pushing Turkey into isolation in Europe. Then it would be much harder to combat problems which arise and Turkey's position would grow more difficult as well. The time which has been lost must be regained in order to prevent such a situation.

It is not necessary to go to the West European nations in anger over the visa requirements. The far-sighted statesman has been on the wane in the world for many years. The methods employed by Western statesmen today is to use any opportunity they can find to seek easy solutions, to resort to childish investments for election purposes, to take advantage of temporary problems among nations to create and develop spheres of influence and not to shy away from using agreements for their own purposes when they find the chance. We must believe that the time has come for us to put our own house in order in conjunction with reacting as we should according to our own standards and interests. While protecting our honor and esteem through legal and political means, it is necessary that we take measures to prevent the occurrence of such problems as these, and when problems loom on the horizon, we must take the necessary measures on time instead of sleeping, then when problems occur, we must make our rights clear instead of rationalizing them and point out the measures we have taken. Otherwise, expressing an Oriental predestination in statements such as "What's done is done" will not be compatible with the prestige of the Republic of Turkey.

It is necessary to make serious initiatives without waiting for these chain reactions to develop or for the outcome of efforts to keep Turkey out of the West, but dependent on the West. Everybody and every organization has a part in this. Everyone must make every effort not to allow Turkey to be isolated at this critical juncture. It is especially necessary to take measures to prevent these events from spreading from Germany, France and the Benelux countries to Switzerland, Austria and the Scandinavian countries. Problems should be prevented before they arise, they should be solved before they develop. We all have a duty both to take measures which concern us internally and to protect our honor and respect abroad. We must believe that Turkey is right and that with our true friends in these nations, we can prevent these incidents.

8349

CSO: 4907

TEXT OF SEVERANCE PAY LAW PUBLISHED

Istanbul MILLIYET in Turkish 18 Oct 80 p 6

[Text of "seniority law" which amends article 14 of Labor Law no 1475, as amended by law no 1927, 4 July 1975]

[Text] Article 1. --Article 14 of the Labor Law no 1475 as amended by law no 1927 is amended as follows:

Severance Pay:

Article 14. --In the event of termination of the service contracts of workers subject to this law by reason of the death of the worker or:

1. by the employer for reasons other than those shown in article 17, section 11 of this law,
2. by the worker in accordance with article 16 of this law,
3. owing to regular military service,
4. for the purpose of receiving age, retirement or disability payments monthly or in lump sum from the unions or associations established by law with which they are affiliated, severance compensation is paid to the worker by the employer in the sum of 30 days' wages for each full year of the duration of the service contract as of the date the worker began the job. Payment is made at the same rate for periods in excess of one year.

Workers' compensations are computed according to the periods during which they worked at one or more workplaces of the same employer without regard to whether the service contract was continuous or renegotiated at intervals. In the event of the transfer of ownership or passing by whatever means of workplaces from one employer to another or the transfer of workplaces to a different location, the worker's compensation is computed on the total of the terms of the service contracts at the workplace or workplaces. In the event of the transfer of ownership or changing hands by whatever means of the workplace as of the date of promulgation of this law, both employers are responsible for the severance compensation due. However, this responsibility on employers turning over the workplace is limited to the periods during which he employed the worker and to the level of wages which the worker

received at the time of transfer. If the workplace was turned over or changed hands by whatever means prior to promulgation of this law, the new employer is responsible for severance compensations due in the absence of any terms to the contrary in the transfer of ownership contract.

In order that the worker may take advantage of the provisions of section 1, paragraph 4, documentation is required that he has earned the right to monthly or lump sum payment and that he has applied to the association or fund with which he is affiliated from the standpoint of old-age insurance for monthly payments to be committed or lump sum payments to be made to him. This condition may not be sought in the event of the worker's death.

Workers Whose Services Are Combined

The worker, who has earned the right to monthly or lump sum old-age or disability payment according to the Social Security Law by combining the periods of service undergone only at the same or different public establishments as subject to the Turkish Retirement Fund Law and the Social Security Law or the Social Security Law alone, is paid severance compensation by the employer of the last public establishment on the total of the periods of service he underwent at these public establishments.

Past service periods in which the service contract of the worker at the above-stated public establishments expired earlier so as not to require payment of severance compensation under this article are not taken into account in the computation of severance pay.

However, the amount to be paid for the part of this compensation pertaining to the period of past service as subject to the Turkish Retirement Fund Law may not exceed the amount envisaged for retirement benefits according to the provisions of the Turkish Retirement Fund Law in effect on the date of initiation of the old-age or disability pension.

The term "public establishments" as used in this article includes general, mixed and special budget administrations and the institutions listed in Law no 468, article 4.

Severance compensation or benefits may not be paid more than once for the same compensation period.

Severance compensation is computed on the last wages. In cases in which wages were not fixed, such as part-time, accord, piece-work or commission, compensation is computed on the basis of an average wage to be derived by dividing the wages paid in the last 1-year period by the days worked during that period.

However, if the worker received an increase in pay during the last year, the basic wage for compensation is derived by dividing the wages received between the date the increase was made and the date the worker left the job by the days worked during the same period.

Computation of Social Rights

In computing the basic wage for the severance compensation contained in this article and the compensation in article 13, section (c), contractual and legal benefits, which it is possible to assign a monetary value, provided to the worker in addition to the wages named in article 26, paragraph 1 are also taken into account.

The 30-day period in relation to the severance compensation stated in this article may be altered in the worker's favor by service contracts or collective labor agreements.

However, the annual amount of severance compensation computed by the terms specified by collective agreements or service contracts may not exceed 7.5 times the 30-day total of the minimum daily wage set according to Labor Law no 1473.

In the event of the worker's death, the total compensation due in accordance with the above provisions is paid to his legal heirs.

The employer may not have individuals or insurance companies cover his responsibility deriving from severance compensation.

A severance compensation fund may be established by the employer at an institution or bank with more than 50 percent of its shares held by the state or at institutions established by the state or by law on condition that it be under the employer's responsibility and reserved exclusively for old-age, retirement, disability, death and lump sum payments.

Matters related to establishment of the fund are set by law.

Exemption Provisions

Article 2. --Article 25 as amended by law no 1927 of the Income Tax Law no 193 is amended as follows:

The entirety of severance compensation required to be paid in accordance with laws nos 1475 and 854 and the amounts not exceeding 24 months' salary of the person performing the service of severance compensation paid in accordance with law 5953 (wages paid without specifying the service performed are not considered compensation):

Article 3. --The following paragraph is added to article 98 of law no 1475:

Imprisonment of from 6 months to 2 years and heavy imprisonment [as published] of from 20,000 liras to 50,000 liras are effective if no crime is determined requiring heavier sentencing in cases concerning the responsible persons, such as accountant, institutional director, general director or members of the executive board, of private or public institutions or establishments who give orders or instructions for acting in violation of the provisions of article 14 and paying severance compensation outside the principles envisaged or in excess of the amount or ceiling set or who act in this way. The decision is given, moreover, for the official recovery in favor of the Treasury of the excess amount paid in violation of the law.

Article 4. --Article 6 of law no 1927 dated 4 July 1975 is removed from force.

Article 5. --Articles 1 and 2 of this law enter into force on 12 September 1980, and the other articles on the date of publication.

8349

CSO: 4907

PRESENT LEGAL SITUATION, PROBLEMS DISCUSSED

Istanbul MILLIYET in Turkish 18 Oct 80 p 7

[Article by Hayri Birler]

[Text] Ankara -- Constitutional Court Chief Sevkettin Muftugil and Council of State Chief Ragip Tartan revealed to MILLIYET their thoughts on the interim constitution and the independence of the judiciary and said that "the principle of an independent judiciary will be contained in the interim constitution, to think otherwise is impossible."

Constitutional Court [CC] Chief Muftugil maintained that he had "found no opportunity for the 12 September action to be accepted as an act in violation of the law, quite the contrary, it was carried out for the purpose of restoring democracy and allowing it to function." He stressed that "an interim constitution is needed in conjunction with this." Noting that "in the absence of an interim constitution, there would be the possibility of certain movements starting at the lower echelons along the lines of a return to an authoritarian regime or despotism," Muftugil said, "An interim constitution is an absolute must. It is necessary to act quickly in this regard, but not in haste." Council of State [CS] Chief Ragip Tartan also recalled that "the [National Security] Council [NSC] had taken over the legislative and executive functions following the 12 September action but had left untouched the judiciary, the third power mentioned in the constitution." He said, "The independence of the judiciary will be contained in the interim constitution. I have full faith that judiciary independence will not be restricted, that there will be no provisions to this effect in the interim constitution and that the members of the NSC are contemplating no such thing."

Citizen Must Respect the Judiciary

CC Chief Muftugil explained that "the judiciary power of the three constitutional powers has the goal of ensuring that justice prevails within the framework of the existing laws and the rules of the constitution and that the rules such as the independence of the courts and the cognizance of the judge are a safeguard, not for the individuals who make up the judiciary bodies, but for the people." He said:

"The independence of the court and the cognizance of the judge are a safeguard for the citizen in this sense, not for the judges or the courts. If the citizen goes to court knowing that it is independent, if he demands his rights, the judge, too, must rule within that status. However, the citizen, as well as the political

power, also respect the judge's ruling. The legislative organ does the same. The legislative body's occasional lapses as to the sovereignty of the law have been abrogated by the CC. It has been said that this is not reconcilable with the will of the nation. Yet the laws passed must conform to the rules of the constitution. This oversight is the duty of the CC, and it performs this oversight within the framework of the provisions of the constitution. The CC is not a power in opposition to the legislative body; on the contrary, it performs a task in cooperation with it, to facilitate its duties. Political administrations ought to be happy about this. In our country, however, there is a completely opposite opinion that 'We do not want any authority over us' and this leads to a lack of checks and doing whatever one wants. This is not right. We, as the CC, want to keep the administration in line with the constitution. Our job is to ensure democracy and be helpful to the administration in this regard.

"The 12 September action took place when those with no stomach for the constitution, who could not abide the rules of the constitution had made it unworkable. The best example of this was the presidential election. Presidents had been elected in the past when there was an air of good will, but when the intention 'to make my political opinion sovereign' predominates, no elections can be held. This means that the constitution is a constitution which can produce results when people of good will who believe in democracy work together. In that case, it is necessary to devise the rules and regulations of our constitution with good will."

Muftugil explained that "the regime introduced by the constitution is democracy, that democracy does not mean lack of discipline, that discipline must be applied vigorously by everyone" and continued:

"Lack of discipline is not democracy. In that case, the 12 September action took place because it had turned into an undisciplined democracy, a democracy without restraint. Yet this action was not one which occurred suddenly, like a bolt out of the blue. If there is an action, it is necessary to consider together the prior events which caused it before evaluating that action. In that case, there is no opportunity to take the 12 September action as an action in complete violation of the law. On the contrary, as the esteemed head of state asserted in his first television address, this action was taken for the purpose of restoring democracy, to make democracy work, to make democracy work in a manner compatible with the principles of the social, legal state to ensure national solidarity with respect for human rights. This means that these principles will be accompanied by provisions to make sure that they work."

Interim Administration without Interim Constitution

Asked a question about "what else the interim constitution should have in addition to the above principles," CC Chief Muftugil replied as follows:

"Let me say this in this regard: An action was carried out. This action will effect its own rules itself. The head of state himself has said whether this action is bound by the provisions of the existing constitution. That is, only the executive and legislative powers were taken over by the NSC. The executive was later turned over, but the NSC is at the same time performing an executive regulatory role.

"Now, in such a situation, the NSC may set forth any number of commands, decrees or even texts with the force of law. But it is necessary that the basis of all of them be some text that we can call a 'constitution.' Thus if an interim administration goes for long without an interim constitution, then some friction and public discontent may gradually occur. I may even say that if this interim administration were to go for 6 months to a year without an interim constitution, then movements beginning at the lower echelons for a return to a sort of authoritarian regime or despotism may appear. If it is desired to create a regime bound by the law, then there is an absolute need for a constitution, albeit temporary. The power in the seat of government will perform its duty by complying with this interim constitution itself, and the citizen will find a safeguard in exercising his rights and enjoying the services he expects from the state. For this reason, it is necessary to provide the citizen this safeguard, to reveal by means of an interim constitution how the rules will apply in the legal area, in the social life and in the economic area of the country and to ensure that the decrees, commands and laws issued subsequently conform to this constitution.

"For all these reasons, it is necessary to be prompt, but not hasty, as regards the interim constitution. I believe this is the major condition involved. Speed but not haste. The interim constitution should be well thought out."

Asked whether "the CC would discuss the matter if there were an appeal to close down a political party," CC Chief Muftugil replied, "It is not impossible to see a case on the closing of a political party under the existing laws; on the contrary, this is a duty we now have and we would do our duty to render the decision required within the framework of the existing laws." Muftugil added that at present no case had come to the CC on the banning of any political party.

Council of State Chief's Comments

CS Chief Tartan, meanwhile, recalled that the "NSC dissolved parliament with the 12 September action, seized the executive and took over the executive and legislative powers," and continued as follows:

"If the distinguished members of the NSC have made no decision in respect of the judiciary, it is because of the need for this judiciary power and function to be conducted by independent courts. This being the case, the judiciary organs are carrying on in their duties by exercising the powers given them by the law."

Contending that he bore the "belief that it is unnecessary for a member of the judiciary to engage in debate over what place the judiciary will have or ought to have in the interim constitution," the CS chief continued as follows:

"The independence of the judiciary will be spoken of in the interim constitution. To think otherwise is impossible. The cognizance of the judge will be spoken of. When the principle of an independent judiciary is adopted, the cognizance of the judge is a natural consequence.

"To date there has been no well-founded report in the press on the interim constitution. The reports are all guesswork. Despite this, it is pointed out in various statements by the esteemed head of state that the principle of an independent judiciary will apply. The expression of respect for the decisions of the courts is a strong assurance in this regard also.

"It is for all these reasons that I have full faith that the independence of the judiciary will not be restricted in the interim constitution, that no regulations related to this will be included and that the distinguished members of the NSC are not contemplating such a thing."

CS Chief Ragip Tartan indicated that he would like to take the occasion to say one thing in respect of the Council of State and said:

"Negative publications have been made in the past month or two, and are still being made, about our institution, and the judges of the supreme court, all of its members and those who are familiar with and follow closely the endeavors of this court have been and are concerned that our statements to the effect that these reports are not true have not been published despite the decisions of the court. Desiring that these polemics remain in the past and not wanting to revive them, I do not want to make any more detailed statement about the Council of State. As I said before, I think it unnecessary to say anything further about the future."

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CSO: 4907

CRIMINAL CUSTODY LAW CHANGED

Istanbul CUMHURİYET in Turkish 8 Nov 80 pp 1, 3

[Text] The change in the law giving Martial Law Commanders the authority to hold for up to 90 days suspects accused as a group of committing crimes has been accepted by the National Security Council after discussion. The provision of the Martial Law Code dealing with the period of custody was changed in line with the proposal submitted by Ground Forces Commander and National Security Council member Nurettin Ersoy and subsequently passed.

According to the change in the law, in cases where suspects accused of committing crimes jointly have not been put before a judge within the first 30 days of custody, the suspects' status will be evaluated by Martial Law Commanders with a 20 day period given per suspect. A determination will then be made whether to hold a suspect further. The change in the law stipulates that the authority to extend the period of custody in situations such as lack of new evidence pertaining to the motive of a crime for which the accused is being held can be exercised only once for a given person.

The text of this law reads verbatim:

"Where there are an excessive number of accused whose 30 day period of custody per Article 13 Line 5 of Martial Law Regulation 1402 are running concurrently and for crimes committed jointly in which adequate evidence has been gathered to bring charges, the 30 day period is insufficient time within which to gather all evidence and bring the accused to trial."

"Moreover, every manner of crime is being committed either by organization whose aim is to destroy the indivisibility of state with country and nation and thus overthrow the democratic system and the Republic or committed in various ways that revolve around these organizations giving prominence to their destructive activities. Such crimes include murder, theft, robbery, threats against freedom of education, armed threats, propagandistic placards hung with or without a bomb attached, written articles being of divisionist and destructive nature sent as propaganda to various places, the gathering of money on behalf of these organizations, giving various assistance to them, or knowingly aiding and abetting."

"Therefore, it is clear from practice that in manifest crimes the 30 day period is insufficient to uncover groups that commit these crimes or those who commit crimes on their behalf."

"The draft law which has been promulgated is designed to ensure a thorough approach. The 90 day period will be actuated incrementally as clearly stated in the text of the draft law. Martial Law Commanders are empowered to examine for the period stipulated in the draft law the status of persons taken into custody and when necessary extend the term of custody up to 90 days. Periods of investigation are to be similar to those required for public prosecutors in arrest cases. According to specific circumstances, Martial Law Commanders naturally will be able to put the accused before a judge or release them before the 90 days expire."

CSO: 4907

INTERVIEW WITH MINISTER OF INDUSTRY AND TECHNOLOGY

Istanbul MILLI GAZETE in Turkish 14 Oct 80 p 4

[Text] Ankara (ANKARA AGENCY) — Minister of Industry and Technology Sahap Kocatopcu has said that the economy will be better served from the industrial standpoint by giving priority to the use of existing capacity. "New investments will be put on hold for the present," he said.

Answering questions about industry's urgent problems, Industry and Technology Minister Kocatopcu pointed out that large investments would be undertaken to the extent that Turkey's budget could bear and said that it was necessary to pick and choose among them and give priority to those which could go into production soonest.

In answer to a question about the administrative, wage and hiring problems at the KIT's [Public Economic Enterprises], the minister said, "This problem has no easy answer. This is a matter which all of us together can realize if we want to and is a point on which our politicians must agree also in not henceforth considering the KIT's a tool for their own success."

Minister Kocatopcu added that an industrial inventory would be prepared in cooperation with the Union of Turkish Chambers of Industry and Commerce and other ministries concerned.

Sahap Kocatopcu answered questions as follows:

[Question] The government program states that priority will be given to industries which can free the economy from external dependence. Could you give information on the policy you will follow in this regard?

[Answer] We would like to try to revitalize our economy primarily by means of maximum use of existing industrial capacity. New investments will probably be put on hold for the present, because on the one hand, existing capacity is not being fully used and, on the other, many investments have been started and one wonders how they will be finished. From this standpoint, the goals on the basis of which new investments are selected come first, I dare say, from the standpoint of an environment in which the entrepreneurs can take an interest and feel confidence in the long run.

Question: In keeping new investments on hold, are you considering a selection process centered on the stock of public projects, or some of the public projects in conjunction with the private sector?

Answer: In the preliminary studies that I have made today -- and these have to continue; I have not yet examined some of the KIT's -- the point I have noticed is that so many public investments have been started which the Turkish budget cannot support. We are faced with having to choose among them within a definite order of priorities, assigning priority to the ones which can be finished and put into production soonest and letting the others wait. I would like for the investments from among these that will have to wait in which the private sector may be involved and which may be completed and put into production by the public and private sectors together to be the starting point in this regard of the real mixed economy.

Question: As a minister who stresses the influence of the KIT's on the economy and who is responsible for the large part of the KIT's, would you explain the new policies you will follow in connection with administration of the KIT's, in view of your having given priority to maximum use of existing capacity?

Answer: No one, whether a defender of the private sector or of Turkish development through the public sector, is happy with the way the KIT's are run today. In fact, a successful outcome for the KIT's will depend first of all on finding the sound system desired for their administration. From this standpoint, it will be necessary in the reform of the KIT's to change administration in favor of a realistic concept of management, divorced from political pressure. Certainly, we are all aware of the difficulties in being able to accomplish this.

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CSO: 4907

TURKEY REMAINS CREDIT RISK COUNTRY

Istanbul KILILYHT in Turkish 14 Oct 80 p 9

[Article by Mehmet Ali Birand]

[Text] Brussels -- For the first time, EUROMONEY magazine, which is watched closely by Western financial circles, has excluded Turkey from its list showing "which nations have become more or less of a credit risk." On the other hand, Tunisia, Pakistan and Peru moved up on the list while Britain, Panama, Czechoslovakia and Poland moved down.

EUROMONEY's "credit risk" survey covers 60 nations. Heading the nations which have borrowed heavily with least risk from Western banks is Australia, followed by France, Finland, Sweden, Malaysia, Denmark, Bahrain, Belgium and Canada. Greece is in 12th place and seems in good shape, receiving \$1.24 billion in 7 separate agreements in 1979. According to the magazine, however, Greece's situation will become more difficult in the years ahead because of debt terms.

Turkey was in 40th place among the same 60 nations in the magazine's 1979 survey.

Britain leads the Western nations in a shaky situation as a growing credit risk. Financial circles are worried that Rolls Royce, in particular, should be unable to get credit at the desired level despite the guarantee of the British government and attribute it to loss of faith in the British government's economic policy.

According to the magazine, "Venezuela received the most credit from Western banks in 1979 with \$6.175 billion, with Mexico and Italy in second and third place with \$4.5 billion." As known, receiving a lot of credit shows that a nation is a good "credit risk." Elements such as terms and interest on the credit received as well as how much of annual income is required for debt service play a role.

Peru was a favorite of the credit markets, improving its status more rapidly than expected. A year ago, Peru was "too risky," but was able to get eight agreements for \$600 million in 1980.

EUROMONEY also published a list of nations by category in the same issue.

Turkey is in the group of nations with \$551-\$1,135 per capita income.

Turkey's inability to get credit in 1979 despite continuation of the IMF agreement was one reason for its exclusion from the list. Another is that it is still unable to shed its status as a nation where opening credit is very risky."

INDUSTRIALISTS WARN AGAINST PRICE HIKES

Istanbul CUMHURİYET in Turkish 15 Oct 80 p 4

[Article by Kenan Mortan]

[Text] (CUMHURİYET AEGEAN BUREAU) -- The Aegean Chamber of Industry met in Balıkesir and it was decided at the meeting that notice of a "Commercial Code" would be posted to industrialists calling for no price hikes in the new period. At the meeting, attended by six chambers, the belief was voiced that the goal of the new period was to return to democracy as soon as possible.

Exchange Rate Differences:

Discussions held on this topic stressed that exchange rate differences were destroying industry.

The first order of business at the meeting, which represented approximately 5,000 industrialists with attendance by the Izmir, Aydın, Balıkesir, Manisa, Ayvalık and Milas chapters, was the reading of the executive board's report.

Reading the report to the members, Hayrettin Yorgancıoğlu said, "We must agree that the new administration does not mean saying goodbye to democracy, but that we will soon meet it again."

No Price Hikes

Following reading of the report, discussions were held on various problems with special emphasis on their great responsibility as to price hikes during the new period. Expressing his views on this subject, Ayvalık Director Özgen Comert called for a professional alert and said:

"How could the cement industry suddenly raise prices 50 percent? Industrialists must feel the responsibility of the new period. They cannot have been operating at a 50 percent loss all this time; we must be honest. We must accept our patriotic duty to help the administration. We should even lower prices to serve democracy."

Floating Lira

The question of allowing the Turkish lira to float, which was on the agenda, met a reaction by the Manisa and Ayvalık branches. Manisa representatives maintained that allowing the Turkish lira to float would mean bankruptcy for industries that

use foreign exchange. Speaking on this topic, Museyin Tutuncuoglu said, "It is all right to talk of macro-economic problems, but we should not forget, either, that the Industrial Development Bank has begun selling some of its establishments."

The Ayvalik branch said that allowing the Turkish lira to float would cause problems unless the timing were chosen carefully.

Underground Resources

Another topic on the agenda, again allowing private sector exploitation of underground resources, was addressed by Rona Yircali, who called for returning the mines to the private sector as soon as possible. Yircali maintained that after passage of the mine nationalization laws, there had been a production loss of 900,000 tons at Bor, for example, and that this amounted to a \$200 million loss. Yircali noted that Turkey was likewise having to import iron and said that the Council of State decision to cancel the turnover could be called politics.

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CSO: 4907

INDUSTRY RECORDED PROFIT IN 1979

Istanbul CUMHURİYET in Turkish 16 Oct 80 p 4

[Article by Refik Balci]

[Text] The Istanbul Chamber of Industry [ISO] has announced that its regular report on the "300 Large Firms" has been prepared for 1979, revealing that these companies had experienced a "more positive" year than in 1978. According to the results of the study, based on figures supplied by the companies, Turkey's foremost private and public businesses in 1979 succeeded in increasing their total balance sheet profits by 101.58 percent, rising from 23,545,246 liras to 47,466,105 liras.

'Positive Year'

The first results of the ISO's annual study shows that the top 300 firms had experienced a "positive year" in their 1979 dealings: net endorsements which had been given as 284,239,679 liras in 1978 rose more than 260 billion liras to 545,211,300 liras by the end of 1979. In addition, the number of workers and employees at the businesses rose by approximately 72,000 from 371,850 to 440,020.

Meanwhile, although net assets of the top 300 firms registered a decline from 149 billion liras to 122 billion liras, this drop is caused by the failure to participate in this year's study of the Turkish Electric Power Enterprise, a company with 75 billion liras in net assets.

Unannounced Profits

Some "give" is seen this time in comparison with 1978 in the number of establishments not wishing their profits to be announced. In fact, 53 establishments, 48 of them from the private sector, did not publish their profits in the 1978 report, while the number dropped to 33 in 1979, 28 of them from the private sector.

The businesses not wishing to publish their profits are led this year, as last, by the vegetable oil industrialists.

Another interesting point in this regard is that the company directed by ISO Executive Board Chairman Saban Cavusoglu failed to publish its profits this year as it did last year also.

Status of the KIT's

In the study, which compiles information supplied by the companies, three KIT's [Public Economic Enterprises] are seen to have made a total profit of 13.2 billion liras. A development of special note is that the State Railways took the position of "largest" of the 300 large companies with balance sheet profits of 6,400,178 liras in 1979, despite having suffered losses in 1978.

In addition, PETKIM [Petro-Chemical Corporation], another public enterprise, rose to second place, with profits rising to 3.395 billion liras in 1979 from 1.109 billion in 1978. The TPAO [Turkish Petroleum Corporation] also had profits of 2.964 billion liras. (TPAO was not in the 1978 study.)

Another KIT, which chose not to be identified, took 28th place in profits and 10th place in endorsements.

Other public enterprises which participated in the study also had a rather profitable year. Eight of Sumer Bank's textile, pipe, chemical and porcelain installations participated in the ISO research and earned a total profit in 1979 of 1.435 billion liras.

Losses

Of the KIT's listed by endorsements in the study, SEKA [Turkish Cellulose and Paper Factories Administration] rose to 6th place from 13th place in 1978. However, SEKA did not retain its 271 million liras in profits from 1978 and dropped to losses of 1.5 billion in 1979.

Other public enterprises showing losses in the ISO study are the Turkish Cement Industry, Fertilizer Factories, Turkish Agricultural Equipment Board Tools and Machinery Factory, Seydisehir Aluminum Facilities, Murgul Copper Works and Nitrogen Industry.

Bottle-Glass Success

A leading private-sector business, Turkish Bottle and Glass Factories Conglomerate, took the position of "most successful business" of 1979. The company, which takes a routine approach to the ISO study and has never registered any restrictions as to publishing its profits, placed fourth in endorsements and profits and sixth in employment. The company's net assets rose from 2.38 billion liras in the 1978 study to 3.537 billion in 1979 and the number of personnel employed rose from 9,836 last year to 10,696. Its endorsements rose to 9 billion liras and balance sheet profits rose from 915 million liras to 1.633 billion liras.

A second private-sector company in the 1979 report with profits in excess of 1 billion liras was the Eregli Iron-Steel Factories, whose profits rose from 746 million to 1.143 billion liras.

No other private-sector companies participating in the ISO study had balance sheet profits of 1 billion liras.

Profits of the Top 50 of the 300 Large Firms

Business	1979 Profit (thousands of Turkish Liras)	1978 Profit	1979 Rank
Turkish State Railways	6,400,178	loss	1
PETKIM	3,935,289	1,109,684	2
TPAO	2,964,697	...	3
Bottle & Glass Factory	1,633,400	915,600	4
Istanbul Oil Refinery	1,173,037	...	5
Eregli Iron-Steel	1,143,751	746,762	6
Shell Company	855,062	...	7
Etibank-Emet Kolomanit	700,670	...	8
Southern Industry	682,950	259,825	9
Aksa Akrilik Chemical Industry	646,519	...	10
Metas Metallurgy	618,013	626,482	11
Rabak Elk. [expansion unknown] Copper	477,962	167,094	12
Bosasa	471,844	399,121	13
Cord Cloth Industry & Trade Corporation	450,834	...	14
Turk Pirelli	440,473	749,695	15
Turkish Sugar Factories	428,808	397,992	16
Durmus Yasar & Sons Paint Company	422,317	113,947	17
Sarkuysan Copper	407,884	164,472	18
Polisan Chemical Industry	395,827	182,556	19
OTOMARSAN [expansion unknown]	389,006	55,906	20
Eczacibasi Ceramics	375,982	101,400	21
Colakoglu Metallurgy	369,331	...	22
Erciyes Brewery	369,224	181,347	23
Private company with unpublished profit ...	...	...	24
Sifas Synthetic Thread	352,317	127,501	25
Textile Industry & Trade Corporation	343,884	179,916	26
Plastel Plastics	306,448	138,458	27
KIT with unpublished profits ...	...	...	28
Private company with unpublished profits ...	...	...	29
Atlas Carpet Makers	304,973	83,833	30
Sumer Bank Leather	296,451	127,929	31
Fertilizer Factories	295,101	63,632	32
Black Sea Copper	294,867	...	33
Sumer Bank Textiles & Chemicals	290,037	...	34
Private company with unpublished profits ...	...	...[as published]	36
Aksu Thread	289,603	...	35
Pilea Plastics	277,210	...	37
Turkish Tuborg Brewery	270,095	127,703	38
Sapmaz Textiles	267,746	...	39
Pancar Motor	259,946	131,055	40
Alarko Conglomerate	237,960	111,816	41
Anadolu Glass Industry	321,780	89,784	42
Yucel Pipe Profile	227,633	149,438	43
Nasas [expansion unknown]	225,944	136,722	44
Haliflex [expansion unknown]	224,885	281,774	45
Birlik Textiles	223,213	...	46

Surtel Cable	219,358	81,583	47
Netas Northern Electric	216,617	203,293	48
Canakkale Ceramics	213,965	85,633	49
Private company with unpublished profits ...		...	50

Total 31,653,091

It is seen here that 45 of the top 50 which published their profits amassed approximately 70 percent of the 47 billion-plus total profits.

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EXPORTERS DISCUSS BUREAUCRATIC OBSTACLES

Istanbul TERCUMAN in Turkish 9 Oct 80 p 9

[Report by Saadet Cantimur]

[Text] Successful Turkish exporters, who, in the past year, exported goods worth \$944,821,000 and were awarded gold medals by the Istanbul Chamber of Commerce, have expressed their views about their export programs in 1979 and their projected export levels for 1980.

The exporters also spelled out the success rate of their programs in the past and the steps they are taking to increase this rate.

Of the gold medal winning exporters, Mehmet Gurel, owner of the hazelnut exporting Mehmet Gur'l Firm; Sarik Tara, Chairman of the Board of Directors of the ENKA Marketing Import Export Corporation; Ibrahim Yazici, Assistant Director General of the RAM Foreign Trade Corporation; and Haluk Gonencer, Director General of the OTOMARSAN Bus and Motor Vehicle Industry Corporation stressed in their statements the inadequacy of tax returns, while Huseyin Sen, Director of Technical Affairs of the Meric Textile Industry and Trade Corporation; and Unsal Anil, Director General of the Arcelik Corporation, stated that tax returns currently in force are adequate.

Mehmet Gurel's Answers

Mehmet Gurel leads the successful exporters with exports of \$22,037,559 in 1979. In response to a question about the rate of success in the realization of their 1979 programs and the reasons behind any shortfalls, Guler said:

"We had planned higher export levels for 1979, but the smuggling of hazelnuts from Turkey to markets abroad affected our exports adversely. This problem was reported in the papers several times, but no measures were taken; this caused drops in the amount of our planned exports. As a consequence of this problem hazelnut prices in foreign markets fell from a high of \$510 [presumably per metric ton] to \$380."

Gurel, a gold medal winner for 12 years in the export business, said in response to a question about tax returns in exports:

"The revocation by the previous government of the 5 percent tax return provided by law on processed hazelnuts obstructed and adversely affected our exports of processed hazelnuts. Thus, whereas we were expecting more export incentives through tax returns the revocation of the law stifled the eagerness of hazelnut exporters.

"I think that the reduction of bureaucratic obstacles will have a positive effect on hazelnut exports which constitute a costless revenue type foreign exchange resource and which need constant support. I also think that a return to the registration of hazelnut exports will be helpful in increasing foreign exchange revenues."

About the future of hazelnut exports Gurel said:

"We believe that the revocation of the tax return law as well as the freeing of exports, that is the lack of price controls, will cause a reduction in exports by the private sector. The reason is that FISKOBIRLIK [Hazelnut Agricultural Sales Cooperatives Union] is selling hazelnuts to contracting Eastern Bloc countries at lower prices.

"In addition, it has not been possible to bring an end to the re-export phenomenon because FISKOBIRLIK administrators do not consider it as being of consequence."

ENKA's Program

The ENKA Marketing Import Export Corporation achieved significant success in 1979 with exports of \$19,411,503. Sarik Tara, Chairman of the Board of Directors of the corporation, said about ENKA's export program:

"We had planned to export in 1979 industrial goods worth \$25 million. We achieved that goal in total sales, but actual exports amounted to \$19 million.

"The main reasons behind the failure to achieve our goal were the strikes and the lockouts in the factories as well as the high demand and profit inflation in the domestic market. Other factors were bureaucratic hardships, inferior standards, shortage of packaging materials and, most importantly, the fact that not everybody in Turkey is well acquainted with or adept in the export business, that ignorance exists at every level and that the export mentality has not yet established itself."

About the issue of tax returns Sarik Tara said:

"Tax returns naturally constitute a very important factor in the encouragement of exports. However, what is more important than tax returns today is to make operational the latest [government] decisions concerning [export] incentives. Currently it seems as if the low interest credit mechanism comes into effect almost after the exports are made. Also, since the Turkish currency is not convertible [to other currencies] importers turn out better profits while exporters lose; importing thus looks always more attractive than exporting.

"The export revenues of our group are derived from the marketing of products manufactured by our group or outsiders, contracting operations and the export of technical knowhow and labor.

"We have planned to export goods worth \$75 million this year. This figure too is about to be realized. Although we have the capability to raise this figure to higher levels through contracting operations, political developments in some of the neighboring countries have prevented work from going ahead on contracted projects.

"We are expecting to reach the export level of \$125 million by the end of next year."

RAM Foreign Trade Corporation Views

RAM Foreign Trade Corporation, an affiliate of Koc Holding, was among the successful Turkish exporters in 1979 with exports of \$14,298,035. Ibrahim Yazici, Assistant Director General of the corporation, talked about what proportion of their 1979 program was realized, the reasons behind the shortfalls, if any, changes made in connection with tax returns and bureaucratic obstacles and their 1980 programs. Yazici said:

"Our company exports perishable as well as durable consumer goods. In addition to Koc products we also export goods manufactured by other companies.

"In 1979 we could realize only 36 percent of our export program. We can say the following about the reasons:

"The first thing that comes to mind is inflation and strikes. Other than that devaluations, which are pegged to the inflation rate, were kept too low, that is the Turkish lira was not devalued as much as was necessary; this caused a black market making competition difficult. Also export incentive measures are inadequate.

"In my opinion tax returns have been too little. In addition there are too many bureaucratic obstacles. On the other hand, these constitute no problems for exporters who follow them up and manage to overcome the obstacles.

"As for our plans for 1980, we will naturally try to increase our exports if we are provided with incentives since we are more dependent on manufacturers [as published]. Today our contacts with foreign countries are successfully maintained by our personnel in bureaus and centers in those countries. Even our bureaus in Iran and Iraq are continuing their normal operations at this time; they are working to fill rising numbers of orders from both countries."

OTOMARSAN Director General Gonencer's Views

OTOMARSAN Bus and Motor Vehicle Industry Corporation exported in 1979 goods worth \$10,722,288. In response to our questions about what proportion of their 1979 program was realized, tax returns in exports and their export program for the next year, Haluk Gonencer, the Director General of OTOMARSAN, said:

"Of the vehicles manufactured in the 1979 production year 222 have been exported. The value of these sales equals the planned export figure for 1979.

"Although there was no significant gap between planned and actual export levels difficulties were encountered in 1979. Bureaucratic obstacles in the export system, delays in transfers of funds and hardships in the procurement of material from auxiliary industries have made 1979 a difficult export year.

"These export are seen as satisfactory in terms of their dollar value but not as a proportion (presumably of total sales). As a consequence, work has been carried out and is still in progress in the fields of reorganization, planning, sales strategy and sales allotments.

"The issue of tax returns in exports determines our competitive position in foreign markets. The current tax returns are inadequate. Since market conditions are subject to continuous change the criteria for determining tax return rates must be reviewed frequently and consideration must be given to the issue of holding tax return rate margins at a higher level.

"Although it has been stated that bureaucratic obstacles have been removed excessive delays are frequently encountered in the payment of free foreign currency or Central Bank current accounts.

"Export plans for the 1980 production year call for 41.5 percent (presumably of total sales). The proportion of actual exports (to total sales) stood at 46.7 as of 30 August 1980.

"Meanwhile we are continuing our research on markets in the Middle East and North Africa."

Meric Textiles Exported All of Its Production Last Year

Huseyin Sen, Director of Technical Affairs of Meric Textile Industry and Trade Corporation, stated that they have fully realized their export program for 1979 with exports of \$5,955,000. About tax returns in exports, reduced bureaucratic obstacles and their 1980 export program, Sen said:

"Our company had decided to export all of its planned production for 1979. As a result of intense efforts to this end the company secured an income of \$5,524,230 by selling to various countries a total of 1,906,566 kilograms of yarn. Thus the planned program was realized 100 percent.

"We are working to raise the quantity and quality of production at our factory in order to achieve higher export levels in 1980 and subsequent years. We are also continuing our efforts to find new market opportunities outside the EEC countries.

"As a result of official talks with the EEC, tax returns in cotton yarn exports have always worked against us. The current tax returns are adequate; they can even be entirely eliminated. However, if they are eliminated credit with lower interest rates must be provided to the exporter and an export insurance law must definitely be enacted.

"Although several decrees have been issued and statements made in connection with the reduction of bureaucratic obstacles this facility has, unfortunately, not yet been felt in practice.

"Our company's planned export level for 1980 is \$6,500,000. This level is 20 percent higher than that of 1979. We are making all efforts to achieve our goal.

"Since its establishment our company has always exported almost all of its production. This same sales policy will be maintained in the coming years."

Arcelik's Exports

Unsal Anil, Director General of the Arcelik Corporation--an affiliate of the Koc Holding group--said that his company has realized 85 percent of its 1979 export program with actual exports of \$5,611,000.

Anil expressed his views about the reasons behind the low level of their success rate, tax returns in exports, reduction of bureaucratic obstacles and their export program for next year. Anil said:

"An export level of \$7 million was planned for 1979, but only 85 percent of that was realized. This was because of inadequate production levels and shortages of raw materials and fuel.

"The tax returns currently in force are adequate. The duty-free importation of fuel, which is a new practice, must be simplified and it must be applied over a broader field. Bureaucratic obstacles have not been reduced contrary to what is believed and announced.

"Our exports in 1980 will stand around the \$3 million level. This is because our factories were under strike for 6 months; since we could not honor our contracts certain markets and customers were lost.

"The planned export level for 1981 is \$8 million; we expect this program to be 90 percent realized."

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NEW EXPORT SYSTEM AFFORDS GREATER FREEDOM

Istanbul MILLIYET in Turkish 10 Oct 80 p 9

[Text] Ankara--ANKA--Changes to ensure greater freedom in foreign sales have been made in the exportation system decision, which is published each year prior to the exporting season and which sets forth principles to regulate the direction, program, and conduct of foreign sales.

The 1980-81 exportation system decision, which was prepared by the Ministry of Trade at the beginning of August and submitted to the prime minister's office, was changed considerably from its initial draft.

The 22 February revision, which corresponded to the 24 January economic measures and which lifted the requirement of registration in order to achieve export price uniformity and statutes necessitating export permits, was completely changed in the first draft of the decision.

Accordingly, the list of goods requiring an export license was expanded and, at the same time, new products were added to the export list that required registration. The first draft that was prepared required registration for products dependent upon supportive purchases that became significant entries in Turkey's foreign sales.

However, measures proposed in the official draft decision, which was required to be published prior to September, the beginning of the export season, that would liberalize the economy within the Construction and Credit Council attached to the prime minister's office were opposed because they were "reactionary." In this way, another revision of the draft was undertaken, and the decision to expand the list of goods requiring registration and licenses was reversed.

The amended exportation system decision, which is expected to be published at the beginning of next week, will perpetuate the 22 February 1980 decisions, which lift the Ministry of Trade's authority to require foreign-sales registration. The list of goods requiring licenses is again reduced, and the statutes requiring registration of products dependent upon supportive purchases is also eliminated.

The new exportation system decision includes statutes that will serve to enliven foreign sales on credit, which was part of previous years' systems, but which failed to work in practice. Principles to regulate foreign sales on credit have again been announced in the export statutes drafted by the Ministry of Trade. As is known, industrial products that benefited from the taxation list could be sold on credit with the stipulation that the monetary equivalent be paid within 3 years at the most. What is wanted is to have exporters carry out specific responsibilities when engaging in foreign sales on credit, the chief of these being bank guarantees.

It was reported that, with the exportation system decision, emphasis will be placed on the effectiveness of sanctions applied against exporters who violate articles of this decision, regulations enacted on the basis of this decision, general letters of authorization, or instructions.

The decision also includes statutes that will facilitate exportation, and the system attains a more methodical and orderly quality.

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PRICE HIKES COME TO MILK, CHEESE, COAL

Istanbul HURRIYET in Turkish 8 Oct 80 pp 1,13

[Text] Price hikes have come to milk, sheep cheese, white cheese, buttermilk, briquettes made from coal dust, and coke. As for meat, Meat and Fish Association Director General Irfan Reisoglu announced that prices will not be raised until the first of the year. The director general noted that, if livestock is sold to foreign markets, there could be a large increase in the price of meat on the free market.

Price hikes on products of the Milk Industry Association average 33 percent. Sales, which were halted a week ago following announcement of the increases, resumed yesterday.

According to information received from officials of the Milk Industry Association Sales Directorate, sheep cheese, which has been selling for 210 liras per kilogram, will cost 280 liras, and the price of white cheese was raised from 130 liras per kilogram to 170 liras with the recent price hikes. Officials reported that there will be no increase on the price of butter, which is currently 340 liras per kilogram.

According to the officials' announcement, the new prices are as follows:

Product	Former Price (liras)	New Price (liras)
Sheep cheese	210	280
White cheese	130	170
Butter	340	340
Small carton of milk	10	12.50
1/2 kilogram of milk	17.50	22.50
1/2 kilogram of yogurt	15	20
1/2 kilogram of yogurt	25	30
Buttermilk	10	15

Milk Industry Association officials stated that prices are uniform throughout the country and requested that the names of persons or shops

that sell these products for higher prices be reported to them. The officials added that the sales permits of persons and stores that overcharge will be rescinded.

Coal Price Hikes

The purchase and sales prices of coke and coal dust have been revised. Coke from the Turkish Iron and Steel Enterprise will sell for 15,000 liras per ton while a ton of briquettes made from coal dust will cost 6,500 liras per ton.

The Council of Ministers announced that the sales prices of coke and coal dust, which are purchased from producers by the Turkish Coal Works Sales and Distribution Institution and are sold to consumers, have been revised because of changes in various factors of the cost prices. The new purchase and sales prices of coke and coal dust are:

Category	Purchase Price (per ton)	Sales Price (per ton)
Iron-Steel Enterprise's coke	14,500 liras	15,000 liras
Gasworks' coke	11,500 liras	12,000 liras
Coal dust	6,000 liras	6,500 liras
Coal-dust briquettes	---	6,500 liras

No Meat Price Hike

Meat and Fish Association Director General Reisoglu reported that there will be no price increase on meat or meat products until the end of the year. He said, however, that, if the exportation of live animals continues following the Festival of Sacrifice, the price of meat on the free market will increase significantly. In the meantime, it was announced that, according to a study conducted by the Meat and Fish Association, one out of every four families sacrifices an animal, and approximately 2.5 million animals will be sacrificed on the holiday.

In his announcement, Reisoglu spoke about the rumors that meat prices will be raised and said, "We will definitely not increase the prices of meat and meat products until the end of the year. However, it is not certain now whether or not there will be a price hike then."

The Meat and Fish Association director general, who pointed out that 650,000 sheep will be exported to Middle-East countries by the private sector, stated, "If the exportation of livestock continues after October, meat prices on the free market will increase significantly. This will be because the balance between supply and demand on the market will have been destroyed by the sacrificing of the animals."

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CONTRACTING FOR FOREIGN ROAD CONSTRUCTION STOPPED

Istanbul MILLIYET in Turkish 4 Oct 80 p 8

[Article by Hayri Birler]

[Text] Ankara--Minister of Public Works Tahsin Onalp announced that the Highways Directorate General will no longer submit bids for foreign contracts. He said, "It is beyond the means of the Highways Directorate General to attempt to act as a contractor when it does not even have enough construction machinery to build roads in its own country."

In an exclusive statement to MILLIYET, Onalp reported that the topic of spanning the Istanbul Bosphorus with a second bridge has been studied, but that no contract has been awarded for the project. He said, "First, it is necessary to find the monetary resources. In my opinion, the nation's economy will not be able to escape stagnation for quite a while. Therefore, it would be senseless to seek bids for the project." The minister, who noted that the contract will be awarded only when a definite decision to build is made and when the monetary resources are found, stated, "If the necessary resources cannot be ensured, it would serve no purpose to take on a project and then shelve it." Onalp pointed out that the action of calling for bids will stimulate various types of speculation and said, "When we obtain the monetary resources to build the bridge, we will so. We will seek bids, and we will keep the site of the bridge -- in other words, the locations of the approaches to the bridge -- secret for a long period of time. We will not allow anyone the opportunity to make money unfairly."

Highways Not Competitive with Railroads

Minister of Public Works Onalp asserted that, within the communications policy, highways are definitely not in competition with railroads and that the two communications systems complement one another. He continued:

"Emphasis, to the degree declared in the preliminary plan, will be given railroads for mass transportation. Two lines will link Ankara and Istanbul. When this investment project is completed, the time to travel from Ankara to Istanbul will be reduced to 4 hours. Furthermore, because

of the construction of various dams, we will have to relocate railroad lines that are situated where the dams' lakes will be. We are working to complete these lines in the shortest possible time."

Onalp reported that efforts to enact a new traffic law are underway and that new measures to protect lives and property on the highways are being taken. He went on:

"Work continues to expand to four lanes the entire highway linking Istanbul and Ankara. The expansion to four lanes has been completed between Istanbul and Gebze. When clover has been planted and the on and off-ramps have been completed, this segment will become a toll road. This is because, once the infrastructural elements that I mentioned are finished, this road will have the quality of an autobahn. Our policy concerning highway construction is to ensure that those who benefit from these roads, in particular, contribute to them monetarily. The first application of this policy was the Bosphorus Bridge, and positive results were obtained."

State Cannot Be Contractor

Minister of Public Works Onalp noted that the Highways Directorate General had submitted bids for foreign contracts. He said, "Henceforth, the Highways Directorate General will, categorically, not submit bids for foreign contracts. The state cannot operate as a contractor." Onalp stated:

"We were awarded a contract in Libya. Construction continues. We will emerge from this experience honorably, but this will be our last contract. In the future, foreign contracts will be sought by private contracting groups. It is beyond the means of the Highways Directorate General to attempt to act as a contractor when it does not even have enough construction machinery to build roads in its own country. I am certainly no supporter of this."

Onalp announced that the various ministries will coordinate their work in order to eliminate differences among state contracts. He said, "This, however, requires long-term study. In order to achieve short-term results, we will look for some practical solutions."

Minister of Public Works Onalp spoke of the ministry's lack of resources and said that work will continue and be completed within a short time on investments that will be able to aid the development of the nation's economy. Onalp, who reported that the money appropriated his ministry in the 1980 budget was quickly consumed by increases in the prices of materials and the added burden brought about by collective-bargaining agreements, said, "At present, we, as an administration, are faced with a severe cash shortage. If the budget cannot provide us with resources and if extremely important supplementary appropriations cannot be ensured, it will become impossible to perform a great number of our functions. For this reason, stringent economy measures will be observed."

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